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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures.

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Part one

FIRST REGULAR SESSION

Held at United Nations Headquarters from
19 to 26 January 1998

I. ORGANIZATIONAL MATTERS

1. The outgoing President, Mr. Hans Lundborg (Sweden), extended his gratitude to the members of the outgoing Bureau as well as to the delegations and staff members of the secretariat who had contributed to the successes and achievements of the Executive Board in 1997. The previous year had been an interesting and important year for the Executive Board, one in which important legislation for both UNDP and UNFPA had been adopted. The number of informal Board meetings attested to the efforts to enhance the awareness of the general public and policy makers on critical development issues.

2. He noted that the Bureau had met on 3 November 1997, 6 November 1997 and 19 January 1998. At those meetings, the Bureau discussed the first regular session of the Executive Board for 1998 and the field visits for 1998. The Bureau had also agreed with the Bureau of the Executive Board of the United Nations Children's Fund (UNICEF) on the programme for the joint meeting of the UNDP/UNFPA and UNICEF Executive Boards on the impact of United Nations reform on funds and programmes. He underlined the importance of the issue of funding modalities, which would be examined at the current session for UNDP and at the second regular session for UNFPA.

3. In closing, the President expressed his gratitude for the support and trust received from the Executive Board in 1998 and thanked Mr. Magnus Lennartsson, First Secretary of the Permanent Mission of Sweden, for his assistance during the year of his Presidency.

Election of the Bureau

4. The Executive Board elected the following Bureau for 1998:

President: H.E. Mr. Jacob Botwe Wilmot (Ghana)

Vice-President: Mr. Atul Khare (India)

Vice-President: Mr. Volodymyr Reshetnyak (Ukraine)

Vice-President: H.E. Mr. John William Ashe (Antigua and Barbuda)

Vice-President: Mr. Alan March (Australia)

President's opening remarks

5. The President, H.E. Mr. Jacob Botwe Wilmot (Ghana), stated that he was pleased to take up his duties as President. It was a great honour to be nominated by the African Group for the distinguished position and he thanked everyone for their confidence in confirming the nomination. He paid tribute to the outgoing President, stating that Mr. Lundborg's understanding and knowledge of development issues and special dedication to the work of UNDP and UNFPA made him stand out as a great President. He looked forward to continuing to strengthen the Executive Board's methods of work, which had been enhanced during the previous years. He also thanked the other members of the outgoing Bureau.

6. Many issues before the Executive Board in 1998, such as funding, were critical ones for UNDP and UNFPA, he noted. He emphasized that for programme countries, such as his own, there was a need to get involved fully in the dialogue of the Board and to participate actively in decision-making and planning for the future. The programme countries had the most at stake in how UNDP and UNFPA were governed, and must share their views, thoughts and plans for the future. That was especially relevant to the review of the UNDP successor programming arrangements the Board would undertake later in the year.

7. The President stated that he was particularly interested, as a member of the African Group, to see programme countries from Africa actively involved in the Executive Board dialogue, as they were the recipients of the majority of UNDP and UNFPA core funding, as well as the region with the most least developed countries (LDCs). Previous legislation had underlined the need to direct UNDP and UNFPA assistance to African countries and to LDCs. African countries had much at stake in the discussions that took place in the Board.

8. The year 1998 was also a critical year as the overall United Nations reform adopted by the General Assembly in December 1997 began to be implemented. In operational activities, there were several concrete initiatives, such as the United Nations Development Framework (UNDAF) and the "UN House".

9. On Monday, 26 January, the Executive Boards of UNDP/UNFPA and UNICEF would hold their first-ever joint meeting to discuss the impact of United Nations reform at the country level, utilizing the example of Viet Nam. In the Executive Board, continued discussion of the linkage between overall United Nations reform and the work of the funds and programmes was anticipated throughout the year. The triennial policy review of operational activities was scheduled for 1998, an activity that would involve many Board members and observers. The central issues of that review were also those most relevant to the work in the Board.

10. The President stated that in 1998, he would like to see the Executive Board increase its efficiency and effectiveness. He would maintain and enforce the five-minute rule for statements and meetings would commence on time.

11. The President congratulated the newly elected Vice-Presidents and looked forward to working with them and hoped that the Bureau would be able to ensure a smooth and efficient conduct of its work in 1998.

Administrator's opening remarks

12. The Administrator welcomed the Executive Board at its first regular session and congratulated the new Bureau members. He also welcomed the new members of the Board, who began their term in 1998.

13. He then gave a brief update on developments in UNDP. He noted that, based on pledges made at the 1997 Pledging Conference, about $750 million in voluntary contributions for 1998 was predicted. UNDP was particularly grateful to those countries who had announced increased contributions. The organization would make the utmost efforts to see that 1998 core resources at least matched those of 1997.

14. In its resolution 52/12 B of 9 January 1998, the General Assembly had adopted a resolution by which it transferred to UNDP the responsibilities of the Emergency Relief Coordinator for operational activities for natural disaster mitigation, prevention and preparedness. The resources for that task would be separate and additional to the resources of UNDP for development activities, provided by a grant from the regular budget of the United Nations for the biennium 1998-1999. UNDP was preparing its response on the basis of the two-year commitment approved by the General Assembly, but beyond that period, the source of funding, which would be central to a continued UNDP role, would have to be clarified, presumably along lines similar to those of 1998-1999. The Emergency Response Division was establishing a Disaster Management Programme to strengthen the capacities of Governments and non-governmental organizations to prepare for and manage risks and vulnerability to disasters and to help to integrate disaster management into development planning and to strengthen United Nations Disaster Management Teams and their national counterparts.

15. He also briefed the Executive Board on the outcome of the autumn 1997 meeting of the Administrative Committee on Coordination, the role of UNDP at the third session of the Conference of Parties to the United Nations Framework Convention on Climate Change, and the participation of UNDP in the World Trade Organization High-Level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development, held in October 1997.

16. In looking ahead at 1998, the Administrator stated that it would be a time for UNDP to consolidate the UNDP 2001 reforms approved by the Executive Board in 1997. At the present session, and throughout the year, funding would be the primary topic, with discussions on both core and non-core resources. The situation regarding core resources remained very serious. UNDP core resources declined by 9 per cent in both 1996 and 1997, in United States dollars, with the decline hitting the poor the hardest. On a positive note, the informal discussions the Board had held earlier in the month demonstrated the commitment of the Board to finding solutions. Core funding would be discussed in the spirit of partnership with programme countries, donors, UNDP, and the Board itself. Core resources were the bedrock of UNDP, and without adequate and predictable levels of core resources, the mandate for poverty eradication could not be fulfilled.

17. On Monday, 26 January, the Viet Nam country team would elaborate their experiences as one of the pilot countries for the United Nations Development Assistance Framework, and there would be an opportunity to hold a dialogue on the early and expected impact of United Nations reform on the funds and programmes at the country level when the Boards of UNDP/UNFPA and UNICEF held their first-ever joint meeting. The United Nations Development Group continued to be the driving force within the United Nations system for moving the Secretary-General's reform agenda forward in the areas of the UNDAF, common premises, and the resident coordinator system.

18. The 1998 triennial policy review of operational activities was another key event of 1998. In its role as manager and funder of the resident coordinator system, UNDP was committed to the goals outlined in General Assembly resolution 50/120 and reaffirmed in the Secretary-General's reforms, including the need for a more coherent, coordinated development cooperation system. A strong and

effective resident coordinator system was essential to the success of United Nations reform and to delivering quality results at the country level.

19. Other prominent events in 1998 included the fiftieth anniversary of the Declaration of Human Rights and the five-year review of the outcome of the Vienna Conference on Human Rights, the Second Tokyo International Conference on African Development, the twentieth anniversary of the adoption of the Buenos Aires Plan of Action on technical cooperation among developing countries, and the twenty-fifth anniversary of the establishment of the United Nations Sudano-Sahelian Office, now called the Office to Combat Drought and Desertification.

20. One delegation looked forward to seeing UNDP work in the context of the reforms adopted by the General Assembly in December 1997.

Statement by the Secretary of the UNDP/UNFPA Executive Board

21. The Secretary introduced the agenda and work plan for the first regular session, as contained in document DP/1998/L.1. With the exception of the conference room papers DP/1998/CRP.2, 3 and 4, all documents for the session had been distributed and posted on the Internet by 8 December 1997, six weeks in advance of the first regular session. Unfortunately, owing to the large amount of work to be undertaken by the conference services of the United Nations during the General Assembly, some documents had not been available in official languages within the deadlines. Document DP/1998/4 had been redistributed owing to an error in pagination. Addendum 1 of document DP/1998/3, referred to in the annotated agenda, had been replaced by conference room paper DP/1998/CRP.3. She noted that after the issuance of document DP/1998/L.1, several items for discussion had been added to item 7, Other matters. Those items included a review by the Board of the Integrated Framework for Trade-related Technical Assistance, presented in document DP/1998/CRP.4, an oral report on the results of the Conference of Parties of the Convention to Combat Desertification, and a presentation by the Joint United Nations Programme on HIV/AIDS (UNAIDS) on the conclusions of the meeting that had taken place in Nairobi in November 1997. An information note on the joint meeting with the UNICEF Executive Board, scheduled for 26 January, had also been distributed.

22. A revised version of the workplan contained in the annex to document DP/1998/L.1 had been distributed. The Secretary noted that five delegations had requested a separate discussion on the country cooperation framework for Mozambique. There would be an informal meeting with resident representatives present in New York on 20 January and an informal briefing on UNDP assistance to Myanmar on 21 January.

23. The Executive Board approved the following agenda for its first regular session, as contained in document DP/1998/L.1:

Item 1. Organizational matters

UNDP/UNFPA segment

Item 2. Recommendations of the Board of Auditors

UNFPA segment

Item 3. UNFPA country programmes and related matters

UNDP segment

Item 4. UNDP 2001

Item 5. Country cooperation frameworks and related matters

Item 6. Resource mobilization

Item 7. Other matters

Joint meeting of UNDP/UNFPA and UNICEF Executive Boards

Impact of United Nations reform on the Funds and Programmes

24. The Executive Board approved the work plan, contained in document DP/1998/L.1, as orally amended.

Report on third regular session 1997

25. The Executive Board approved the report of the third regular session 1997 (DP/1998/1).

26. One delegation took the floor to comment on the report, noting the content of paragraphs 288 through 290, which referred to the follow-up to decision 97/19 on assistance to the Democratic Republic of Congo. As had been underlined by the Acting Director of the Regional Bureau for Africa at the time, in accord with the Government of the Democratic Republic of Congo, the UNDP mission had identified areas where there could be strengthening of capacity-building of the Government. The Secretary-General had named the Administrator as coordinator of a working group on reconciliation, reconstruction and regional stability, which would be in charge of determining how the United Nations system would participate in the task of reconstruction of the country. His delegation wished to thank the Administrator and the Regional Bureau for Africa for their report submitted at the third regular session 1997. A "Friends of the Congo" meeting had taken place on 4 December 1997 in Brussels. UNDP and UNFPA were encouraged to continue to monitor their special assistance to the Democratic Republic of Congo. The delegation requested the Executive Board to consider submitting a written report on assistance to the Democratic Republic of Congo at its third regular session 1998.

Work plan 1998

27. The Secretary of the UNDP/UNFPA Executive Board introduced the draft work plan 1998 (DP/1998/CRP.1). She noted that the document was based on a draft presented at the third regular session 1997 and took into account comments made at that session. The work plan enabled better planning and rationalization of

the work of the Board. The item on reports to the Economic and Social Council would be taken up at the second regular session rather than at the annual session in 1998. Activities of special funds and programmes were summarized in the annual report of the Administrator and were reviewed in depth on a triennial basis. The United Nations Volunteers programme would have an in-depth review in 1998. Strategic evaluations would be presented as they were completed, as requested by one delegation, and reflected in a note to the work plan. It was suggested that an item on country cooperation frameworks be added to the annual and third regular sessions. The agendas for the following sessions would be amended and completed on the basis of decisions made at each previous session.

28. Two delegations requested a report on the transfer of responsibilities for disaster mitigation to UNDP in the context of United Nations reform on UNDP to be added to the agenda for the annual session 1998. Another delegation requested a more general item on the impact of United Nations reform on UNDP, which could also include the above issue. One delegation requested a separate report at the annual session on the follow-up to the implementation of the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries. That delegation also requested that the Executive Boards of UNDP/UNFPA and UNICEF hold joint meetings whenever possible. One delegation requested presentation of information on the effects of globalization at the annual session 1998. Another delegation expressed reluctance to discuss globalization in the Executive Board as it was addressed in many other forums.

29. An item on the round-table process was added to the annual session 1998. An item on the ad hoc working group on the funding strategy was added to all sessions for 1998.

30. The Executive Board approved the annual work plan 1998 as orally amended.

Future sessions

31. The Executive Board agreed to the following schedule of future sessions of the Executive Board in 1998 subject to the approval of the Committee on Conferences:

Second regular session 1998: 20-24 April 1998

Annual session 1998: 8-19 June 1998 (Geneva)

Third regular session 1998: 14-18 September 1998

32. The Executive Board agreed to the following tentative schedule of future sessions of the Executive Board in 1999. One delegation requested that the first regular session 1998 be held later than scheduled.

First regular session 1999: 11-15 January 1999

Second regular session 1999: 5-9 April 1999

Annual session 1999: 14-25 June 1999 (New York)

Third regular session 1999: 13-17 September 1999

33. The Executive Board agreed to the subjects to be discussed at the second regular session 1998 of the Board, as listed in the work plan.

34. The Executive Board approved decision 98/4, an overview of decisions adopted by the Executive Board at its first regular session 1998.

Closing remarks

35. The Administrator emphasized the importance of the decisions adopted by the Executive Board at the present session. A first full-fledged dialogue on non-core funding had resulted in a key decision that gave detailed parameters for the UNDP role in providing support services for national execution and the implementation of UNDP projects. He was grateful to all who had participated in drafting the decision as part of a broad consensus. With regard to the decision on the funding strategy, he looked forward to the progress of the open-ended ad hoc working group on the funding strategy that had been created by the decision.

36. The Deputy Executive Director (Policy and Administration) extended thanks to the Executive Board and the secretariat.

37. The President thanked all involved with the session and stated that he was pleased with the number of statements by programme countries. The decisions adopted at the present session would have implications for the future of UNDP and would be closely monitored by the Executive Board.

UNDP/UNFPA SEGMENT

II. RECOMMENDATIONS OF THE BOARD OF AUDITORS

A. United Nations Development Programme

38. The Associate Administrator introduced the UNDP report on follow-up to recommendations of the report of the Board of Auditors (A/51/5/Add.1) for the biennium 1994-1995 (DP/1998/4).

39. The report was well received, with speakers citing the useful format and the general progress shown in complying with the recommendations of the Board of Auditors. One delegation requested further information on the degree of dialogue between UNDP and UNFPA and the Board of Auditors.

40. Several delegations welcomed the establishment of the Financial Policy and Control Unit to address the weaknesses found in the review of the Reserve for Field Accommodation and hoped that it would soon be fully operational. Some speakers expressed concern about the successful recovery of overpayments. A query was raised as to when the final outcome of the investigation into the Reserve for Field Accommodation would be available.

41. Several speakers looked forward to the fulfilment of recommendation 12 on thematic evaluations and comparison between national execution and other execution approaches. Information should be provided to the Executive Board on the capacity criteria for national execution as early as possible.

42. One speaker requested information on the relationship between UNDP and other system partners with regard to coordination at the country level.

43. Another delegation requested information on whether recommendations regarding the United Nations Volunteers programme (UNV) were covered in the report.

44. The Associate Administrator stated that the comments of delegations had been noted. Information would be provided as early as possible on the outcome of the investigation regarding the Reserve for Field Accommodation. In response to another query raised, he noted that UNDP had begun thematic evaluations on sustainability, capacity-building and cost-effectiveness. The concepts would be tested in three pilot countries during 1998. The standards of government capacity for managing national execution would be included in the revised guidelines, expected to be issued in early 1998. Information would be shared with the Executive Board on how the standards for national execution capacity were to be applied, including a briefing for delegations on the subject when the guidelines were issued. In response to a query raised, he informed the Board that four regional workshops on monitoring and evaluation had been conducted, in Addis Ababa, Buenos Aires, Kuala Lumpur, and Prague, and two workshops were planned for 1998, in Lebanon and Morocco. He noted that UNDP had frequent opportunities for dialogue with the Board of Auditors. The Associate Administrator explained that since the United Nations reforms had been put in place, all operational funds and programmes were now part of the Development Group, and as a result there had been closer relations in all aspects of their activities.

45. The Director of the Division for Administrative and Information Services stated that the revised internal control framework would provide strengthened internal controls and address breakdowns.

46. The Director of the Office of Audit and Performance Review (OAPR) stated that the investigations into the Reserve for Field Accommodation should be concluded in the near future. He noted that the Office had worked extensively with the Board of Auditors on national execution, in order to avoid an audit qualification. Many meetings had been held with the Board of Auditors and OAPR in continuous dialogue. In response to the query raised, he noted that an internal audit report on UNV had just been completed. He informed the Board that while UNDP did not normally discuss internal audit reports at the Executive Board, he could report that UNV had recently made significant improvements in its financial controls and that a detailed action plan had been worked out with regard to the recommendations of the audit report.

47. The Executive Board took note of the UNDP report on the follow-up to the recommendations of the report of the Board of Auditors for the biennium 1994-1995 (DP/1998/4).

B. United Nations Population Fund

48. The Deputy Executive Director (Policy and Administration) thanked the President of the Executive Board for the opportunity to introduce the report on follow-up to the report of the Board of Auditors for 1994-1995: status of implementation of recommendations (DP/FPA/1998/1). He then highlighted progress made in areas of concern to UNFPA management, including national execution, Technical Support Services (TSS) arrangements, and the management of consultancies. He noted that the Fund had completed an independent evaluation of execution modalities, including national execution. The evaluation stressed the need for UNFPA to assess more carefully a wide range of technical and managerial skills that were relevant to successful project execution. The Deputy Executive Director (Policy and Administration) went on to note that the Fund had completed revision of its programming guidelines and had introduced a programming process that was based on the Country Population Assessment, a national strategic exercise with emphasis on capacity-building, and the logical framework approach at the programme and project level. This revised programming process addressed such concerns of the Board of Auditors as the need for setting out clear quantitative and qualitative objectives for the Fund's projects and programmes.

49. The Deputy Executive Director (Policy and Administration) pointed out that UNFPA had also introduced significant improvements in the management of the TSS system, including the issuance of revised TSS guidelines and the enhanced coordination of TSS-related activities within the Fund. Regarding the selection and use of consultants, he noted that UNFPA management had constituted an interdivisional working group to review findings of the Board of Auditors in this area. The recommendations of the working group, including ways to improve recruitment and evaluation procedures, had been approved and the necessary actions were being undertaken for implementation. In closing, the Deputy Executive Director (Policy and Administration) assured the Executive Board members that UNFPA remained strongly committed to effective follow-up to the issues raised by the Board of Auditors and to the continued improvement of the Fund's management capacity.

50. One delegation, speaking also on behalf of three others, noted its satisfaction with the quality of the document and the clarity of the responses. However, it was disappointed that the new guidelines on the selection and assessment of institutions for national project execution were not yet available. It had hoped that the thematic evaluation of execution modalities, including national execution, would have been made available. The same delegation expressed interest in seeing a summary of the conclusions of the thematic evaluation. Another delegation noted that in relation to national execution, it considered the systematic assessment of country needs to be critical. It fully supported the revised arrangements for the programming process, including the Country Population Assessment, the logical framework and the initiative on indicators. The delegation supported the UNFPA initiative in developing indicators to assess progress in achieving conference goals and requested information on collaboration with other agencies in the context of the United Nations Development Group in developing and applying indicators. It also requested information on the Fund's study of the absorptive capacity of programme countries, particularly with regard to national execution. It

reiterated the importance of national consultants in the TSS arrangement as part of capacity-building efforts in programme countries. The same delegation noted its continued support for the Fund's interregional programmes, with a particular emphasis on South-South cooperation, and requested information, as early as available, on the guidelines for interregional programming.

51. Another delegation stated that along with other delegations it fully supported national execution where it was possible, keeping in mind the absorptive capacity of local implementing institutions. It recommended that the Fund continue to give high priority to enhancing capacity at the local level for more effective programme implementation. The delegation noted that it looked forward to the study on absorptive capacity and the utilization of financial resources among recipient countries, particularly in Africa, and hoped that the study would identify not only constraints but also the concrete steps that UNFPA would take to address those constraints. The same delegation expressed concern that the thematic evaluation of execution modalities appeared to be a broad assessment of the effectiveness of executing agencies, while the intention of the audit report was that the issue of execution modalities be addressed carefully at the country level. It noted that the Fund might wish to comment on other ways that this important audit recommendation could be addressed. With regard to TSS, the delegation noted that some staff at cooperating agency headquarters were underutilized and that efforts should be made to strengthen their role or to relocate them in order to make better use of their expertise. The delegation asked whether the guidance disseminated in 1996 regarding the preparation of terms of reference for consultants had resulted in any improvements and if the names of local consultants were being added to the roster of international consultants. It also asked whether the findings of the UNFPA working group on management of Special Service Agreements could be made available to interested members of the Executive Board.

52. One delegation expressed concern that there had been three instances of negative balances concerning trust funds. It asked which cases had been resolved and which funding modality had been used. Another delegation noted its appreciation for the format of the report, which presented information very clearly. It sought information on the extent to which new procedures alluded to in the report had been operationalized. One delegation stated that it attached great importance to the development of indicators for capacity-building and asked when it could receive information on their utilization.

53. The Deputy Executive Director (Policy and Administration) thanked delegations for their comments and encouraging remarks. In responding to various questions from the floor, he noted that the thematic evaluation of execution modalities would be reported on at the annual session 1998 of the Executive Board. He stated that UNFPA was collaborating with other agencies and strongly supported the United Nations Development Group process. The Fund would also continue to promote South-South cooperation. With regard to the better utilization of TSS expertise, the Deputy Executive Director (Policy and Administration) noted that efforts were under way to consolidate and streamline these arrangements at agency headquarters and to continue to maximize effectiveness of TSS and the Country Support Teams. With reference to the recruitment and deployment of consultants, he observed that the new procedures had helped to improve the administrative process and to reduce delays. He added

that local consultants were being utilized to a much greater extent and their names would be put on the international roster when they were deployed. Also, country offices maintained their own rosters of national consultants. On the subject of developing global indicators for absorptive capacity and capacity-building, the Deputy Executive Director (Policy and Administration) noted that this involved a conceptual issue and that in his view these indicators should be country-specific. He mentioned that the thematic evaluation was based on experiences in eight programme countries. He added that the Fund would review relevant studies and findings in the area of capacity-building and absorptive capacity. With regard to trust fund activities, he pointed out that two of the three cases of negative balance were due to miscoding. Only in one case had funds been expended before receipt; this had been due to currency fluctuations. He assured delegations that the Fund would continue to strengthen its internal controls related to trust fund management.

54. The Executive Board took note of the UNFPA report on follow-up to the report of the Board of Auditors for 1994-1995: status of implementation of recommendations (DP/FPA/1998/1).

UNFPA SEGMENT

55. Before moving to consideration of the agenda item on UNFPA country programmes, the Executive Director of UNFPA made a brief introductory statement. She thanked the outgoing President and other members of the Bureau for their help and support during 1997. She congratulated the incoming President and other Bureau members on their election and assured them of the full support and cooperation of UNFPA. She then updated the Executive Board on a number of important developments that had taken place since its third regular session 1997. The Executive Director highlighted recent developments on the ICPD + 5 process that had been initiated with the strong support of the Executive Board at its annual session 1997 (see decision 97/14). Subsequently, in its resolution 1997/42 of 22 July 1997, the Economic and Social Council endorsed the Executive Board's decision and referred the matter to the General Assembly. She noted that UNFPA was particularly pleased with General Assembly resolution 52/188 of 18 December 1997, which supported the plans the Fund had outlined for an operational review, from the present time until 1999, of the Programme of Action of the International Conference on Population and Development (ICPD), and authorized the holding of a Special Session of the General Assembly in 1999. The review process included a series of round-table meetings, and UNFPA was already working with the Population Division, Department of Economic and Social Affairs, on shared arrangements. She underscored that a participatory process would ensure the involvement of all parties.

56. The Executive Director recounted the current financial situation of UNFPA and noted that once the 1997 accounts were finalized, the Fund's regular resources income was expected to top $291 million, which, together with multi-bilateral resources, would bring the Fund's total income in 1997 to $319 million. She extended special thanks to the Governments of Denmark, France, Finland, the Netherlands, Switzerland and the United Kingdom for their additional contributions and commitment to the work of UNFPA. She was very encouraged by the recent decision of the Government of Japan to continue its

present level of assistance, despite difficult budgetary constraints. Other major donors had also indicated that they would either increase or maintain their levels of support. As a result, UNFPA projected a regular resources income of around $300 million for 1998. The Executive Director added that there had also been some positive developments in private sector fund-raising. She concluded by noting that the World Health Organization, the United Nations Children's Fund and UNFPA had made progress in reviewing the draft terms of reference of the Coordinating Committee on Health (CCH) and in discussing various substantive issues that would be taken up at the first meeting of CCH, to be convened in early May 1998.

III. UNFPA COUNTRY PROGRAMMES AND RELATED MATTERS

57. The Deputy Executive Director (Programme) introduced the five country programmes and one subregional programme before the Executive Board: Assistance to the Government of Algeria (DP/FPA/CP/199); Assistance to the Government of China (DP/FPA/CP/196); Assistance to the Government of Egypt (DP/FPA/CP/198); Assistance to the Government of Nicaragua (DP/FPA/CP/197); Assistance to the Government of Paraguay (DP/FPA/CP/195); and Assistance to the Pacific subregion (DP/FPA/CP/200). She noted that the Fund had completed revision of the core programme guidelines and many staff had already been trained on the new guidelines, including the application of the logical framework techniques. The six programmes before the Executive Board reflected the broad range and diversity of population situations in three different regions of the world. She observed that the proposed programme for China was in line with the principles of the Programme of Action of ICPD and would assist the Government in developing a comprehensive reproductive health programme by focusing interventions in selected counties, from which lessons could be learned for application nationally. The programme would aim to improve quality and choice. Activities would also be undertaken to create an enabling environment for the empowerment of women.

58. With regard to the Pacific subregion, the Deputy Executive Director (Programme) noted that there was great diversity among the 14 countries covered by the proposed programme, hence a variety of approaches would be utilized to address country-specific as well as regional needs. The majority of women in the subregion lacked access to adequate health care, higher education and employment opportunities. Except for Fiji, the countries in the Melanesian group had high rates of maternal mortality, teenage pregnancies and population growth. The proposed programme would address these challenges. The proposed programme for Egypt would assist the Government to provide high-quality reproductive health and family planning services, with special attention to the needs of women and youth. There would be a focus on priority districts where indicators were significantly below national averages. Advocacy and information, education and communication (IEC) activities would be undertaken at the national level to promote reproductive health and reproductive rights and to enhance the status of women. The proposed programme for Algeria aimed at improving access to integrated reproductive health services and at strengthening national capacities to manage reproductive health programmes. This would be achieved through broadening the scope of services, providing training, and

expanding the mix of contraceptive methods. A communication strategy targeting women of reproductive age, men in rural areas and youth would also be supported.

59. One of the major priorities of the proposed country programme for Nicaragua would be to address the reproductive health needs of adolescents. The programme would aim at increasing the availability of reproductive health services in impoverished areas and would also seek to improve the capacity for integrating population issues in poverty alleviation and sustainable development efforts. The country programme for Paraguay would focus on providing assistance to increase contraceptive prevalence and reduce maternal mortality. The programme would aim to build national capacity for the delivery of high-quality reproductive health services, particularly to adolescents. Major components of the programme would include sex education and male involvement in reproductive health through new partnerships with the armed forces, organized labour and the private sector. Support would also be provided for advocacy and activities to create awareness of population issues.

60. The Executive Board approved the six UNFPA programmes. Most of the delegations focused their comments and questions on the proposed programme for China. Some delegations inquired about the programmes proposed for Algeria, Egypt, Nicaragua, and the Pacific subregion.

61. The delegation of the People's Republic of China thanked the Deputy Executive Director (Programme) for her introduction and noted that the new programme for China had been formulated in line with the principles of the ICPD Programme of Action and resulted from three years of consultations between UNFPA and entities in China. The delegation stated that the programme would focus on delivering reproductive health and family planning services to women in impoverished regions to improve their condition and to enable them to enjoy rights to various services. In China, 58 million people were still living below the poverty line, with social indicators in impoverished areas being lower than the national averages. The new programme had been designed precisely to provide assistance to women in these areas. To ensure that the programme would be well-focused, members of the Executive Board undertook two field trips to the relevant provinces in China. In February 1996, representatives from 11 members of the Executive Board visited Shanxi and Gansu provinces. Later, in November 1997, representatives from 17 members of the Executive Board undertook observation trips to Xiangyun and Xinping counties in Yunnan province. After having visited the provinces and seen the poverty and needs evident in the counties, the representatives had expressed their support for the UNFPA programme of assistance and had noted that they would report back to their authorities in their capitals on what they had seen. The delegation of China thanked the Executive Board members for their concern and hoped that the new programme would be supported.

62. In general, delegations expressed strong support for the proposed **China** country programme, noting in particular that it was in line with the principles of the Programme of Action of ICPD. Several delegations welcomed the programme's focus on delivering comprehensive client-oriented reproductive health services in 32 selected counties from which lessons could be drawn for application at the national level.

63. One delegation described the programme as a bold attempt to turn ICPD principles into a reality and welcomed the attention that would be given to social marketing of contraceptives and to addressing the needs of adolescents for reproductive health information and services, as well as to promoting male involvement and quality of care. The same delegation asked how the lessons learned would be disseminated in China and elsewhere, and emphasized that the programme should be closely monitored and evaluated. The delegation also asked how UNFPA would judge the success of the programme.

64. Another delegation, speaking also on behalf of two other delegations, remarked on significant elements of the programme, namely, the emphasis on meeting women's needs and on voluntary choice.

65. One delegation, also speaking on behalf of another, called the programme exemplary and underlined its focus on qualitative aspects and women's empowerment. The same delegation welcomed the references to the review and evaluation of the programme and hoped that the Government of China would again organize field visits for Executive Board members to project sites.

66. Several delegations welcomed the plans for systematic monitoring and evaluation of the China programme and underscored the need to ensure free and voluntary choice, in keeping with ICPD principles, particularly, the cardinal principle of non-coercion. Some delegations emphasized that independent evaluations should be undertaken to ensure objectivity. One delegation stated that since this was a pilot project, evaluation was very important for its further expansion.

67. Another delegation, while observing that participatory development was essential for programme success, emphasized the importance of ensuring the commitment and involvement of local authorities and independent monitoring and evaluation. The same delegation also commended UNFPA for its work in China. Noting the value of the field visits, the delegation pointed out that, in the future, sufficient notice should be provided by the Fund so that delegations might fully participate in and benefit from such visits.

68. One delegation noted that it had long opposed a new programme in China and that current legislation in that delegation's country required it to reduce its voluntary contribution to UNFPA if the programme proceeded in China. While recognizing China's serious population problem and the importance of family planning to the country's development, the delegation expressed its deep concern over elements of China's family planning policy that were antithetical to the consensus achieved at ICPD. The delegation asked the Executive Director for confirmation on five specific points: (a) that project counties were selected on the basis of the commitment of the leadership in those counties to the principles of ICPD, and that that commitment would be obtained in writing; (b) that UNFPA would disburse funds contingent on the removal or suspension of birth quotas and targets in project counties, also applying that principle to project counties in which legal or administrative penalties based on family planning regulations remained in effect; (c) that mechanisms be in place to prevent or detect coercive practices in counties receiving UNFPA assistance, including regular reports on implementation and frequent and rigorous monitoring visits to be undertaken by both UNFPA and independent consultants; (d) that all

project counties be open to monitoring and evaluation visits by representatives of members of the Executive Board; and (e) that UNFPA suspend operations in project counties found to be in violation of programme guidelines, and report such violations to the Executive Board if they were not corrected. The delegation concluded by stating that with those assurances it believed that the programme might have the potential to demonstrate clearly the efficacy and sustainability of voluntary, non-coercive family planning.

69. Two delegations asked the Executive Director to report regularly to the Executive Board on significant elements of the programmes, including progress in meeting the principles and goals of ICPD.

70. The delegation of China expressed its thanks to all delegations for their support. Noting its appreciation for UNFPA support and effective cooperation, the delegation stated that the proposed programme was the result of three years of consultation between the Fund and entities in China. Formulated in keeping with ICPD principles, the programme would focus on delivering reproductive health and family planning services to women in impoverished regions. The delegation reiterated that there were still 58 million people living in poverty in China and the new programme would provide assistance to people in impoverished and underserved areas where social and health indicators were below the national averages. During the previous year, the UNFPA Country Support Team had visited China to assist in compiling project documents and to establish monitoring and evaluation mechanisms for the programme. The delegation of China drew attention to the challenge of rapid population growth that China had faced and would continue to face for years. If the excessive growth of population could not be effectively stabilized, the deterioration of the ecology and environment for dozens of years to come would be unavoidable, thus endangering the basic survival conditions of most of the Chinese people and China's socio-economic sustainable development. Owing to the huge population base, China's annual net population growth was still around 13 million despite the implementation of the family planning programme. The delegation went on to note the positive impact of family planning on the country's development and pointed out that, thanks to the support and understanding of the Chinese people, about 300 million births had been averted since the family planning programme started in the 1970s, constituting an important contribution to the global goal of stabilizing the world's population. Without the full understanding and support of the people, the 300 million fewer births over the last 20 years would not have been achieved.

71. Two delegations commented on the **Algeria** country programme. The delegation of Algeria warmly thanked UNFPA for formulating a good programme that would meet the reproductive health and family planning needs of the people. The delegation noted that two corrections should be made in the document: in paragraph 5 the median size of each household should be 7.6 and not 9.6, and in paragraph 6 the contraceptive prevalence rate should be 57 per cent and not 47 per cent. The same delegation added that it was a time-saving and good innovation for the Executive Board to consider all six programmes as a package. Another delegation stated that it attached great importance to the continued presence of UNFPA and other United Nations agencies in Algeria. The delegation went on to underscore the importance of having a policy to consolidate the gains achieved for women in the area of gender equality and equity (alluded to in paragraph 13 of the

proposed programme). The delegation also stressed the need to provide training to national personnel.

72. The delegation of Nicaragua expressed its appreciation for the proposed programme for **Nicaragua** and stated that it responded to the needs of the people and the policies of the Government. The programme would help to eradicate poverty, reduce maternal mortality and improve the health of adolescents. Another delegation noted that although ambitious, the proposed programme suited the needs of the people. It went on to ask why there was such a high percentage of female sterilizations in Nicaragua when simpler, user-ready contraceptive methods were available. Another delegation enquired about the extent of cooperation with the Pan American Health Organization (PAHO), which had a subregional project on reproductive health.

73. The delegation of Egypt stated that it attached great importance to the issue of population, as was reflected in the proposed country programme for **Egypt**. While confirming its continued and full cooperation, the delegation went on to express its deep appreciation for the work of UNFPA. Another delegation complimented UNFPA on the substance of the programme and noted that it was a positive development that the programme would be extended to disadvantaged groups and regions outside Cairo. It was also pleased to note that special attention would be focused on women and youth and on mainstreaming gender, including through integrated community development schemes focusing on literacy programmes, provision of micro-credits, nutritional support and gender training. The same delegation asked whether some of the projects would be implemented outside the Ministry of Health and Population, for example, by non-governmental organizations (NGOs). It also asked how UNFPA planned to reconcile the various reproductive health programme strategies of different donors in the country.

74. With regard to the subregional programme for the **Pacific** one delegation expressed concern that aid was declining at a time when the population of most States in the subregion was projected to increase by between 25 and 50 per cent by the year 2010. Noting that the proposed programme showed a decline in funds compared to earlier UNFPA programmes of assistance, the delegation hoped that by mid-point in the programme there would be an opportunity to increase financial assistance. Another delegation, while appreciating UNFPA consultations, planning and programme assistance in all programme countries, noted that the Fund should conduct a more collaborative dialogue with the South Pacific Commission and should expand its consultations both with Governments and donors in the area. The delegation observed that programme implementation had been slower than preferred and that reporting needed to be improved. It underscored the importance of effective monitoring and evaluation and compliance with all UNFPA guidelines.

75. In her response, the Executive Director thanked all delegations for their support of the six programmes. She noted that the proposed country programme for **China** was the result of three years of consultations and negotiations between the Government and the Fund. She emphasized that the programme illustrated the desire of the Government to implement not just the ICPD Programme of Action but also the Platform for Action of the Fourth World Conference on Women. The Executive Director stated that the provincial governments and local leadership would announce that there would be no quotas or

targets in the programme counties and that this would be written in all the project documents. She took note of the point that the issue of administrative and legal penalties should be addressed and informed delegations that this subject had been discussed with authorities in the country. She stressed that the proposed programme was based on full and informed choice and was intended to show the benefits and effectiveness of a voluntary approach. Based on the lessons learned, the approach would later be expanded throughout the country. The Executive Director noted that the Fund and the Government would jointly monitor the programme and there would be independent evaluations. She stated that in the unlikely event of a return to quotas in any of the project counties, the Fund would investigate the situation and notify the Executive Board, as it would under similar circumstances in any programme country. She added that she would be pleased to regularly report to the Executive Board on significant elements of the six programmes, including progress in meeting the principles and goals of the Programme of Action of ICPD.

76. With regard to lessons learned, the Executive Director observed that each year data would be collected, and quality indicators would be monitored by both UNFPA staff and independent consultants. Seminars and workshops would be organized to disseminate the lessons learned, including to other counties and provinces. The Executive Director pointed out that the proposed programme drew on the experience gained during the Fund's earlier programme of assistance to China. The success of earlier UNFPA programmes had been written up and had also been drawn on by the World Bank. She added that the Government of China was open to field visits and that the Fund would help to arrange these. She assured delegations that efforts would be made to provide adequate notice of such field visits. On the subject of the data given in the proposed programme for Algeria, she noted that obtaining timely and accurate data was often a problem and that more effort was required in this area. She hoped that as follow-up to the Administrative Committee on Coordination Task Force on Basic Social Services for All and through other mechanisms of the United Nations Development Group reliable and timely data would become available.

77. The Director, Asia and the Pacific Division, noted the commitment of the authorities in China to the principles of the Programme of Action of ICPD and added that the proposed programme had built-in community participation, including at the grass-roots level. With regard to the subregional programme for the **Pacific**, he stated that while the earlier programme had provided assistance in the amount of $2.6 million per year, the new programme would provide $2.5 million per year, based on the Fund's new approach of programme resource allocation, as approved by the Executive Board at its second regular session 1996 (see decision 96/15). The programme had built in $2.8 million in multi-bilateral resources. Responding to the earlier comment on consultations with the South Pacific Commission, he noted that as a result of staff transfers, there had been some slowness in that regard, but recently regular contacts had been resumed and had resulted, in December 1997, in all 14 countries in the subregion agreeing to a common questionnaire and methodology for their respective censuses.

78. The Director, Latin America and the Caribbean Division, responding to the question regarding the high percentage of female sterilizations in **Nicaragua**, noted that it clearly demonstrated insufficient coverage in the provision of

reproductive health and family planning services. She stated that if women had access to other contraceptive methods, they would use them. Frequently, in rural areas women had seven children before undergoing sterilization. UNFPA was financing an NGO to research the issue of the high rate of female sterilizations and the results of the research would be disseminated. She assured delegations that collaboration with PAHO and other organizations would be undertaken at the local level.

79. The Officer-in-Charge of the Division for Arab States and Europe stated that in **Egypt** the Fund was working with the Joint Consultative Group on Policy (JCGP) partners and donors to promote gender-mainstreaming in all government plans and strategies, including the incorporation of gender and reproductive health concepts in the new population and settlement schemes. Under the proposed programme, joint and complementary activities would be undertaken with donors. Following ICPD, the Government and NGOs were working together closely. Of particular interest was the strategic plan of action of the Ministry of Health and Population, which focused on the improvement of the quality of care and encompassed NGOs as integral partners in the plan. Also, UNFPA, along with other donors, was supporting an umbrella mechanism (the NGO Commission for Population and Development) to strengthen the capacity of grass-roots NGOs working in the areas of population and gender, to enable them to become partners in implementation of the national population and health programme.

80. The Executive Board approved the following country and subregional programmes: Paraguay (DP/FPA/CP/195); China (DP/FPA/CP/196); Nicaragua (DP/FPA/CP/197); Egypt (DP/FPA/CP/198); Algeria (DP/FPA/CP/199); and the Pacific subregion (DP/FPA/CP/200); and requested the Executive Director to report regularly to the Executive Board on the implementation of significant elements of the above programmes, including progress in meeting the principles and goals of the Programme of Action of the International Conference on Population and Development.

81. Following the adoption of the decision, the delegation of Japan took the floor to note its appreciation for the warm recognition of its Government's support by the Executive Director. It welcomed regular reporting to the Executive Board and noted that the field trips to programme countries were very valuable. The delegation encouraged the Fund to keep Executive Board members informed of the dates of future Country Population Assessment missions.

UNDP SEGMENT

IV. UNDP 2001

Update on UNDP 2001 implementation

82. The Administrator gave an oral progress report on the status of the implementation of UNDP 2001. His presentation concentrated on three areas: strengthening country offices; working on efficiency and process re-engineering; and transforming UNDP into a learning organization.

83. He explained that the new corporate structure of UNDP brought together planning and all resource management into one bureau. The authority to recruit medium- and longer-term consultants at the country level had been decentralized to country offices. The Operations Support Group helped the Associate Administrator in coordinating the work of the regional bureaux. The Group had helped to unblock certain issues, such as the revision of guidelines on national execution. Also, a new simplified programming manual would be released on CD-ROM in early 1998.

84. A senior management retreat had been convened in October 1998 to focus on the specific responsibilities for implementation and supporting country offices. The meeting was used to identify which unit was responsible for different aspects of the change implementation plan and to integrate those aspects into compacts, one of the main tools to be used to streamline the organization for better efficiency and effectiveness. The compacts identified critical initiatives for which managers would be held responsible and established measurable success indicators. Signed between bureau or unit directors and the Administrator, and between regional directors with resident representatives on country office delivery, programme impact and staff management, the compacts would become the basis of the new UNDP corporate plan.

85. He drew the attention of the Executive Board to a work published by UNDP and the Swedish International Development Cooperation Agency on the experiences of different organizations in the area of performance measurement, entitled Measuring and Managing Results: Lessons for Development Cooperation.

86. The Administrator explained that the implementation of the accountability framework rested on training audit staff and managers in the techniques of assessing and controlling risks and that such training would soon begin. The first set of subregional resource facilities (SURFs) was being established - in Lebanon, Pakistan, the Slovak Republic, Thailand, Trinidad and Tobago and Zimbabwe. UNDP was working to focus further its sustainable human development framework. A mechanism for the implementation of change was the expanded Executive Committee, the senior policy body of UNDP which now included the participation of ten resident representatives twice a year.

87. He thanked the donor countries that had contributed funds for change at UNDP, in particular the Governments of Denmark, Sweden and the United Kingdom.

88. In conclusion, he stated that the learning experiences of change management would be shared in the Change Resource Guide, to be posted on the Intranet. The Guide would provide a continuing opportunity for country offices to exchange experiences on how UNDP could become a development organization so recognized for its focus, effectiveness and efficiency that it continued to earn the trust of its partners and to grow. He recognized the excellent work of the UNDP staff, many of whom toiled in difficult conditions.

89. One delegation commented that progress in change management was becoming more tangible through decentralization and enhancing country programmes. Performance measurement through development of criteria, especially at the country level, was needed.

90. Another delegation, whose Government had provided assistance to change management, stated that change management needed to demonstrate greater impact, in particular at the country level. Support was expressed for the broader role of evaluation activities. Bilateral discussions on performance indicators would be welcomed.

91. A written progress report on change management was requested, including a brief summary outlining the change management programme, future plans and an assessment of progress.

92. The move to greater accountability was welcomed. It was proposed that a staff representative participate in the discussion of change management at the third regular session 1998.

93. The Administrator thanked the speakers for their support. He informed the Executive Board that a written progress report on change management would be submitted at the annual session 1998. Overall United Nations reform would be integrated into UNDP change management. He noted that performance indicators were being developed. One of the main focuses of the indicators was to determine the development impact measured at the country level. UNDP was working with development partners on performance measures. UNDP would identify challenges to implementing change management in future reports, as suggested by one delegation.

94. The Executive Board took note of the oral progress report of the Administrator on change management.

Programme focus

95. The Administrator made brief introductory remarks on the item.

96. The Assistant Administrator of the Bureau for Development Policy introduced the report of the Administrator on narrowing the focus (DP/1998/5).

97. Many delegations welcomed the document, the opening remarks and the consultation process that had led to the consideration of the item by the Executive Board. While there was general support for the advances made in narrowing the programme focus, some delegations expressed the view that particular emphasis needed to be given to demonstrating how the narrowed focus would be implemented.

98. The institution of guiding principles on focus, as elaborated in document DP/1998/5, was generally welcomed. Some speakers underlined the need for those principles to be applied to core and non-core activities. Several delegations emphasized the need for the country, regional and global cooperation frameworks to demonstrate adherence to the guiding principles. One delegation suggested that each country cooperation framework (CCF) include four to six service areas where impact could be demonstrated. Another delegation stated that adherence to all of the guiding principles could be difficult and that some could be undertaken in accordance with the country situation.

99. The Executive Board discussed the identification of core development services contained in document DP/1998/5. Many speakers underlined the need to link those services to the demands of programme countries, ensuring country specificity. It was generally agreed that the core development services outlined in the document constituted an indicative list, which would evolve over time.

100. Speakers cited the need for UNDP to remain committed to its work in poverty eradication, in particular in low-income countries, and within that overall goal, its main focus areas. The comparative advantages of UNDP in development cooperation were noted by many delegations, with some underlining the need for UNDP to have a clearer profile. As the nature of development cooperation was evolving, UNDP had to continue to strengthen its niche within a normative framework, including the follow-up to United Nations conferences, and with the inevitable phasing-out of some programmes. Duplication must be avoided. In addition, UNDP must be able to respond flexibly in special circumstances with a catalytic and innovative role. Several speakers urged UNDP to continue its fine-tuning of programme focus in the years ahead. Others warned against focusing too narrowly and possibly limiting UNDP cooperation with programme countries.

101. Some speakers emphasized the key role of UNDP in overall United Nations reform operational activities, citing the introduction of the United Nations Development Assistance Framework (UNDAF) as a useful tool for coordination at the country level. The need for UNDP to publicize its achievements was underlined.

102. One delegation stressed the need to build staff capacity for work in the main focus areas. The Administrator's intention to issue a directive on operationalizing the focus paper to country offices was welcomed.

103. Several delegations requested clarification on aspects of the paper. One queried how UNDP would complement the work of other United Nations organizations and that of the World Bank. One delegation urged UNDP to cooperate with the specialized agencies at an early stage of project preparation. A query was raised on how the guiding principles in the paper would be operationalized, including whether they would be applied in CCFs already approved.

104. Other queries were raised regarding the role of UNDP in relation to the Commission on Sustainable Development discussions in 1998 on water and with regard to debt problems of programme countries. Some delegations expressed support for UNDP interventions in promoting trade and investment in least developed countries.

105. The Administrator noted that a consultative process had led to the drafting of the document and that the comments of delegations at the present session had been noted. In responding to some comments that the paper did not adequately address how focus would be achieved, he underlined that narrowing the focus took place at the country level with strategies varying from country to country. There would be increased focus in the CCFs. He noted that ensuring programme focus was a process, and in a large organization it took some time to achieve results. With regard to existing CCFs, the guiding principles on focus had been

incorporated to some extent through the preliminary in-house review process. The triennial policy review of operational activities in 1998 would also provide an opportunity to sharpen programme focus. In response to a query, he noted that UNDP was providing increasing support to national poverty assessments. In addition, a framework for United Nations system action for poverty eradication, which would give further cohesion to work in that area, was under discussion in the United Nations Development Group. The need for flexibility was noted. He stated that the list of core development services was not restrictive but rather one that indicated specific areas of competence where UNDP could offer quality support. He noted that there was a subset of special areas where UNDP would like to maintain expertise, for example, in food security, in cooperation with the Food and Agriculture Organization of the United Nations. Narrowing the list to 20 areas had already constituted a major step forward. The Administrator emphasized the progress made to date since the end of the fifth programming cycle: UNDP was much stronger and more focused. The next steps to be taken were in communicating the messages regarding focus and in operationalizing the guidelines.

106. The Assistant Administrator and Director of the Bureau of Planning and Resource Management stated that staff competencies would be sharpened in the context of enhanced programme focus. Staff competency models were being developed. In that regard, new performance measures would be introduced, managerial capacity would be strengthened, and training provided.

107. The Assistant Administrator and Director of the Bureau for Development Policy stated that while the multidimensionality of poverty called for the existing range of development services, specific strategies would be identified and through the analysis of poverty at the country level, focus would thus be achieved. The list of core development services would evolve over time in response to changing situations. She underlined that the first guiding principle, on national ownership, was an overriding one, and should meet concerns delegations had about the second principle. She confirmed that the guiding principles applied to core and non-core funding and to the country, regional and global cooperation frameworks. Some guiding principles were already being applied and operationalization was taking place through existing processes of programme formulation, reviews and allocation of funds. It was an ongoing process. She looked forward to continued consultations with the Executive Board in the future.

108. The Executive Board adopted the following decision:

98/1. Narrowing the focus of United Nations Development Programme interventions

The Executive Board

1. Takes note of the report of the Administrator on narrowing the focus (DP/1998/5) and the comments made thereon;

2. Reaffirms that assistance to programme countries in their endeavour to realize sustainable human development, in line with their national development

programmes and priorities, should remain the highest priority of the United Nations Development Programme, and that this assistance should be responsive and flexible, and must be based on the development plans and priorities of the programme countries and on the priorities set by the Executive Board;

3. Reaffirms the neutrality, multilateralism and universality of the United Nations Development Programme;

4. Emphasizes that coherence and focus is necessary to achieve the objectives of impact, sustainability, efficiency and effectiveness of the United Nations Development Programme interventions at the country level; and that the adoption of the programme approach should lead to fewer and larger interventions while allowing the Programme to assist programme countries in launching and piloting innovative projects;

5. Requests the United Nations Development Programme to develop further its expertise in providing capacity development assistance to programme countries in their pursuit of poverty eradication and their promotion of people's participation in development;

6. Underlines that a clear profile of the United Nations Development Programme role in each individual programme country and at the global level will facilitate the resource mobilization efforts of the Programme;

7. Recognizes the ongoing effort within the United Nations Development Programme to identify an indicative list of core development services;

8. Requests the United Nations Development Programme to cooperate to the maximum extent possible with all actors in the field of development cooperation, in particular the United Nations funds, programmes and specialized agencies, in order to foster synergies, avoid duplication and make optimal use of available resources;

9. Endorses on this basis the guiding principles contained in paragraphs 20 to 40 of document DP/1998/5;

10. Decides that the guiding principles should be applied to all country, regional and global cooperation frameworks as well as to sub-elements of these frameworks, taking into account the specific conditions of programme countries, whether funded from core resources or non-core resources;

11. Requests the Administrator to operationalize the guiding principles, including a mechanism for implementation, impact measurement and evaluation, and to incorporate the guiding principles into the new programming manual of the United Nations Development Programme;

12. Requests the Administrator to ensure that all future presentations to the Executive Board of country, regional and global cooperation frameworks, beginning at the first regular session in 1999, as well as reviews and evaluations of these frameworks, are structured in a manner that clearly describes how each of the guiding principles are applied;

13. Requests the Administrator to report at its annual session 2000 on all aspects of progress in the operationalization of the guiding principles, including the mechanism for implementation, impact measurement and evaluation.

23 January 1998

V. COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

A. Country cooperation frameworks

109. The Executive Board approved the first country cooperation frameworks (CCFs) for Algeria (DP/CCF/ALG/1), Cape Verde (DP/CCF/CVI/1), the Cook Islands (DP/CCF/CKI/1), Ghana (DP/CCF/GHA/1), Guatemala (DP/CCF/GUA/1), the Libyan Arab Jamahiriya (DP/CCF/LIB/1), Nicaragua (DP/CCF/NIC/1), the Republic of Korea (DP/CCF/ROK/1), and Tokelau (DP/CCF/TOK/1). The Executive Board also approved the second extension of the sixth country programme for Kenya (DP/CP/KEN/6/EXTENSION II).

110. In accordance with a written request from seven members of the Executive Board, the Board discussed the first CCF for Mozambique.

First country cooperation framework for Mozambique (DP/CCF/MOZ/1)

111. The Assistant Administrator and Director of the Regional Bureau for Africa introduced the first CCF for Mozambique (DP/CCF/MOZ/1), highlighting the main features of the framework. She noted that Mozambique, as one of the pilot United Nations Development Assistance Framework (UNDAF) countries, had been able to move beyond the CCF and other United Nations agency country programme documents to consolidate and rationalize United Nations development cooperation. The CCF had been used as part of the UNDAF process to guide the country management team and structure system-wide strategic objectives under which UNDP programming priorities fell.

112. The representative of Mozambique stated that the CCF embodied the end product of the collective work of all stakeholders: UNDP, government institutions, cooperating partners and civil society. In developing the CCF, the role of government institutions had been mostly in defining priorities, ascertaining the needed coordination and maintaining intensive consultations with the UNDP country office. The methodology adopted was that of the programme approach and national execution, with a view to strengthening ownership through capacity-building. The programme would support the transition of the Government from war to peace, emergency to rehabilitation and development, a single party system to a multi-party election system, and instability to stability. Under the CCF, the Government, with all its partners, including the United Nations system, would be able to ensure that UNDP resources had a positive impact on the development efforts of Mozambique and its people

113. Many delegations spoke of the CCF as a good example of UNDP work in the area of transition from an emergency and post-conflict situation to rehabilitation and development. They raised the following issues for discussion - the focus and concentration areas of the CCF; coordination;

decentralization with accountability; evaluation and monitoring; programme delivery; poverty eradication; harmonization; good governance; the comparative advantage of UNDP; agency collaboration, especially in terms of UNDAF; regional cooperation; and UNDP core and non-core resources mobilization and utilization.

114. Several delegations emphasized the importance of concentrating the programme on a few, carefully selected focus areas, to ensure the necessary impact. The description of work planned in those areas, for example, UNDP interventions in the area of poverty eradication, could then have been better articulated in the document. The comparative advantage of UNDP vis-à-vis other agencies with programmes in Mozambique, notably the Bretton Woods institutions and other United Nations agencies, such as the United Nations Children's Fund and the World Health Organization, could have been specified more clearly. The potential of UNDAF to help define the roles of the various agencies was recognized.

115. Delegations observed that accountability for the relatively large programme in Mozambique, especially for those activities funded by non-core resources, should be ensured through adequate monitoring, evaluation, assessment and reporting. Representatives of some delegations said they would like to see UNDP play a greater role in strengthening good governance and in supporting public sector reform as well as strategic policy discussions. One delegation noted that, in view of the fact that the CCF indicated that a large proportion of technical cooperation was required, it would be good to have an annex that contained a summary of the state of programme delivery, with a breakdown of programme resources as well as an indication of the nature of financing. This would apply not only to the CCF for Mozambique, but to all frameworks.

116. Some delegations also drew attention to the importance of cross-cutting issues, such as the environment, HIV/AIDS and gender. Other delegations stated that Mozambique was a focus or priority country for their Governments' bilateral aid cooperation. A stronger and more active role for UNDP in helping to further improve donor coordination was also advocated. The concept of "smart partnerships" between all parties involved in the development, implementation and management of programme activities was welcomed.

117. The importance of regional cooperation and collaboration with subregional institutions was emphasized, for instance to help the Southern African Development Community to strengthen the integration of regional markets, and to take advantage of projects in which rapid and substantive results could be achieved.

118. The Director-General of Multilateral Cooperation in the Ministry of Foreign Affairs of Mozambique reiterated that the CCF was the product of a collaborative effort of a wide range of partners. He noted that it was important to recognize the need for better focus in the programme, as well as to address the issues of evaluation, national execution, the role of technical cooperation and its costs, the use of and reporting on non-core resources, and public sector reform. The best occasions to measure and evaluate programme implementation, among other things, would be during the annual and mid-term reviews.

119. The Assistant Administrator and Director of the Regional Bureau for Africa and the Deputy Resident Representative of UNDP in Mozambique also responded to the issues raised in the discussion. They noted that thematic working groups, efforts to strengthen and focus the resident coordinator system and UNDAF were examples of the many modalities in place to ensure a well-coordinated and participatory approach to all programmes and projects within the framework. They assured the Executive Board that careful note had been taken of the views expressed by all delegations. These would be taken fully into account in the preparation of programme outlines, a more detailed and in-depth aspect of the development of specific programmes within the framework, which included the incorporation of cross-cutting issues into planned activities, and in implementing, monitoring and evaluating the CCF during the annual reviews, an innovation for Mozambique, as well as during the mid-term review of the programme. The annual reviews, which would involve the participation of a wide range of development partners, would assess the impact of UNDP interventions in a systematic manner, for which indicators and benchmarks were being developed.

120. The Executive Board approved the first country cooperation framework for Mozambique (DP/CCF/MOZ/1).

B. Assistance to Myanmar (DP/1998/11)

121. The Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific introduced the note by the Administrator on assistance to Myanmar (DP/1998/11). The purpose of the note was to provide an assessment of the extent to which assistance to Myanmar continued to meet the provisions of Governing Council decision 93/21 and Executive Board decision 96/1. He noted that an independent team of six senior international experts had undertaken an assessment mission to Myanmar from 24 August through 13 September 1997, the report on which had been made available to Board members. Additional information had also been provided during an informal briefing, held on 21 January 1998. The mission assessed the results and achievements of the Human Development Initiative-Extension (HDI-E), the lessons learned, and the extent to which HDI-E projects continued to meet the provisions of the relevant Governing Council and Executive Board legislation. The Assistant Administrator, referring to the conclusions and recommendations of the assessment report, said that the HDI was a successful evolving model for dealing with poverty alleviation at the grass-roots level, without exclusion or discrimination. The HDI-E projects were being implemented by United Nations specialized agencies, in cooperation with non-governmental organizations (NGOs), both international and national. NGOs continued to play an important role in the implementation of project activities and in facilitating community participation at the grass-roots level. Diplomatic missions resident in Yangon continued to be fully briefed by the UNDP Resident Representative and Resident Coordinator and regular visits to HDI-E project sites for embassy officials enabled them to observe first-hand UNDP activities at the community and grass-roots levels. Four such field visits had taken place during 1997, for a total of 32 senior diplomats from 24 countries. Regular briefings for civil society continued to be organized by the Resident Representative and senior UNDP management.

122. The Assistant Administrator assured Executive Board members that due attention continued to be given to the monitoring of HDI-E projects. In addition to the establishment of comprehensive monitoring and evaluation mechanisms, HDI-E had recruited two full-time international monitoring and evaluation officers to ensure that the function was carried out on a continuous basis.

123. Several delegations noted that their embassies in Yangon had commented favourably on UNDP grass-roots activities in Myanmar within the framework of the HDI-E. UNDP was encouraged to explore further geographic expansion of its activities, including a programme to support the rehabilitation and reintegration of returnees to Rakhine State, and to continue efforts to improve livelihoods in villages and communities, in line with Governing Council and Executive Board decisions 93/21 and 96/1. One delegation inquired about the selection and recruitment of local staff, and stressed the need for maximum transparency and programme advocacy. Another delegation, supported by several others, commended HDI as a successful model for poverty alleviation that could be replicated in other countries. One delegation noted that sustainability was an important but sometimes difficult goal to achieve; nevertheless, efforts to ensure sustainability should be incorporated into the design of the future programme. One delegation queried how UNDP was tackling the issue of education and training outlined in paragraph 10 of document DP/1998/11, i.e., constraints to school attendance and what measures were being taken to address the issue. Another delegation suggested that consideration be given to the recruitment of a development anthropologist to see how projects affected village structures and dynamics, as well as to the preparation of a report on the impact of HDI-E project activities. Coordination between and among United Nations agencies operating in Myanmar was also stressed. Several delegations underlined the importance attached to monitoring of UNDP activities and adherence to Governing Council decision 93/21 and Executive Board decision 96/1. Delegations highly commended UNDP for the successful development work it had carried out in Myanmar under difficult circumstances.

124. The Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific and the UNDP Resident Representative and Resident Coordinator responded to the statements of delegations. Delegations were assured that up-to-date methodologies, structures and mechanisms were in place to accommodate the needs of the poorest in an efficient manner, without exclusion or discrimination. These would be further refined and made more effective for better project delivery. Efforts would be made to produce impact assessment reports on selected HDI-E activities at the grass-roots level in the future. Future assistance would include looking into the possibility of recruiting a development anthropologist. The UNDP Resident Representative and Resident Coordinator reassured members that the selection and recruitment of HDI-E project staff at all levels adhered strictly to UNDP and United Nations recruitment procedures. Insofar as coordination among United Nations specialized agencies was concerned, the Resident Coordinator met regularly with United Nations agency colleagues in Myanmar to discuss common approaches and joint programming of activities. One such example was the approach being developed through collaborative efforts of United Nations specialized agencies to support a programme for rehabilitation and reintegration of the returnees to northern Rakhine State. On the question of sustainability, UNDP continued to

work closely with community-based and grass-roots organizations to build capacity at the local level. Small infrastructure projects, for example, building bridges across waterways, were initiated and carried out by communities themselves, with support from UNDP.

125. The Executive Board took note of the report of the Administrator on assistance to Myanmar contained in document DP/1998/11 and decided to consider, at its annual session 1998, a proposal for future UNDP assistance to Myanmar in conformity with Governing Council decision 93/21 and Executive Board decision 96/1.

C. Implementation strategies for regional cooperation frameworks

General remarks

126. General issues raised by delegations related to collaboration with regional institutions, other United Nations agencies and Bretton Woods institutions; the establishment of success criteria and monitoring; the added value of UNDP activities and its comparative advantage in terms of its multiple roles in regions; and the possibility that some regional activities would be better addressed at the national level, including through CCFs.

Africa

127. The Assistant Administrator and Director of the Regional Bureau for Africa recalled the extensive consultations that took place prior to the formulation of the first regional cooperation framework (RCF). She then introduced the document on the regional implementation strategy for the first RCF for Africa (DP/1998/6), emphasizing that the support strategies delineated in the document would be the vehicles for assisting countries, intergovernmental organizations, NGOs, and the private sector in moving forward towards the goals of poverty eradication and sustainable development.

128. Most delegations agreed that the implementation strategy was a definite improvement on the first RCF (DP/RCF/RBA/1) and that the recommendations of the Executive Board decision 97/9 had been closely followed. A number of delegations raised issues relating to regional collaboration, success criteria and monitoring, the value-added of UNDP activities and its competency to undertake a multiplicity of roles at the regional level. One delegation stated that collaboration with bilateral organizations should have been addressed in the document. Cooperation with the Economic Commission for Africa was viewed as important.

129. Some delegations expressed the view that the success criteria and impact indicators should have been more explicit and measurable. Specific mention was made of the success criteria outlined in the section of the document on pluralism and democratic change, namely, increased stability in programme countries, which one delegation found to be too broad and impractical as a measurable impact indicator. One delegation stated that it would be useful to develop criteria for selected countries of intervention as well as for NGOs participating as implementing agencies.

130. Some delegations noted that some of the activities discussed in the document would probably be better dealt with in the context of CCFs. Examples included activities in the areas of governance, micro-credit and national long-term perspective study exercises. Some delegations also questioned the relationship between the implementation strategy for the RCF and the United Nations Special Initiative for Africa (UNSIA).

131. Several delegations noted a need to prioritize activities. One delegation indicated that UNDP, in collaboration with other specialized agencies, should support activities relating to migration and conflict prevention although those activities were not in the organization's main areas of competency.

132. One delegation expressed concern about the role of UNDP at the regional level, stating that it should be more a role of complementarity than of leadership. The same delegation noted that success criteria and expected outputs could be more quantifiable. The delegation also suggested that the issue of female genital mutilation be included under the thematic area of gender.

133. One delegation expressed satisfaction that the implementation strategy catered to the needs of the continent and that the document itself was well focused and emphasized that good governance was at the centre of development. Another delegation emphasized that resource mobilization was one of the most important features of the RCF. There would be a need to monitor results in that area strictly, notably in the private sector.

134. One delegation agreed that the focus areas identified in the document were an appropriate basis for UNDP activities and that good governance was the key cross-cutting theme. The same delegation was particularly satisfied with the discussion in the document on the trade subprogramme and intraregional and interregional cooperation programmes.

135. Another delegation raised the issue of UNDP collaboration with the United Nations New Agenda for Development in Africa in the 1990s and pointed out that a review conducted several years ago was not satisfactory. The same delegation queried whether similar problems would arise in terms of cooperation with UNSIA.

136. In response to the concerns raised by delegations, the Deputy Assistant Administrator and Deputy Director of the Regional Bureau for Africa noted that more detailed success criteria would be developed at the programme and project design stage. Programme support documents and workplans would fully reflect those criteria. He noted that the RCFs provided value-added to country programming exercises by formulating policy instruments at the regional level, which were then translated into national policy instruments, for example, national long-term perspective studies. Additionally, global initiatives and competencies were more easily translated into concrete actions at the regional, subregional and then national levels. The regional programme also supported networking and the exchange of information and best practices that were of particular value at the national level. The regional programme provided catalytic support to country-generated initiatives that addressed common challenges and priorities of groups of countries within the region.

137. Capacity-building was the overall goal of all activities under the RCF. With regard to the relationship between UNSIA and the RCF, he noted that the governance initiative had been entrusted to UNDP through UNSIA. The main activities were to seek support and to mobilize resources for those countries with governance programmes. UNDP had also provided support to NADAF through its Secretariat. Regarding trade, UNDP worked with the World Trade Organization, the United Nations Conference on Trade and Development (UNCTAD), the World Intellectual Property Organization and at times with the World Bank in that area, not in a leading role, but by providing support.

138. The Executive Board approved the implementation strategy for the first regional cooperation framework for Africa (1997-2001) as contained in document DP/1998/6.

Arab States

139. The Assistant Administrator and Director of the Regional Bureau for the Arab States provided a brief introduction. He stated that the main characteristics of the implementation strategy contained in document DP/1998/7 and Corr.1 included: greater focus; increased ownership of the regional programme by the Arab region; increased accountability; maximized impact; sustainability; and the fostering of the region's cooperation with the Euro-Mediterranean and Africa regions.

140. Delegations commented that the document contained clear and direct ideas and proposals and endorsed the implementation strategies for the programmes and projects in the RCF. Delegations noted that the framework was built on past accomplishments and reflected the common culture, ideals and aspirations of the region, a necessary basis for sound development and the implementation of a good regional programme. Delegations noted that they hoped to see further collaboration with the regional commissions in the implementation of the programmes and projects under the RCF.

141. Several delegations expressed the view that the promotion of micro-financing projects was an important element of the RCF. In that regard, it was stressed that UNDP would benefit from the outcome of an important meeting on the subject that was held in Washington, D.C., in 1997. It was also suggested that UNDP collaborate with other United Nations agencies, especially the United Nations Children's Fund, which was already working in the area of micro-credit.

142. The Assistant Administrator and Regional Director of the Bureau for the Arab States thanked delegations for their support. Close cooperation and dialogue with Governments and institutions in the region would continue throughout the preparations for programme implementation.

143. With regard to the general issues raised about the RCFs and their implementation strategies, the Assistant Administrator noted that micro-credit projects in the Arab States region served as a concrete instrument for poverty eradication. Those projects targeted the poorest and most vulnerable groups, particularly women, who had no access to markets. Micro-credit was a new modality in the region. Accordingly, pilot projects would be implemented at the

country level to test feasibility and viability. Methodologies were being developed that were specific to countries in the region and geared towards a demonstrable impact on poverty eradication and the creation of self-employment opportunities. Three pilot projects would serve as demonstration and learning instruments for expansion through the regional programme to national programmes through CCFs. He hoped that regional institutions would join UNDP to create enabling environment or to directly support or expand micro-credit programmes on their own.

144. The Assistant Administrator agreed with the requests of several delegations for more precise quantitative and qualitative benchmarks and success criteria in RCFs, particularly the requests for better success criteria. Past experience had shown that they were essential for evaluation and assessment. Precise criteria were incorporated into the formulation of subprogrammes and their supporting documentation. The triennial review of the RCF would report on the subject to the Executive Board.

145. Regarding one delegation's comments on international trade, it was the role of UNDP to provide assistance to UNCTAD and other institutions to ensure the participation of the region in the World Trade Organization (WTO) rules and processes for international trade. The Arab States share of intraregional and international trade was rudimentary. The low level of capital flows was reflected in low per capita gross national products. This, in turn, reduced the ability of the States in the region to combat poverty.

146. The Executive Board approved the regional implementation strategy for the first regional cooperation framework for the Arab States (1997-2001) as contained in document DP/1998/7 and Corr.1.

Asia and the Pacific

147. The Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific gave a brief introduction on the implementation strategy for the RCF (DP/1998/8). He noted that, as indicated in the document, the strategy was based on a number of parameters: focus, in terms of subregions, through various intergovernmental and other mechanisms, as well as in terms of themes; ownership, particularly by the Governments of the region, in partnership with UNDP, in the implementation of the programmes; capacity-building; learning and information-sharing mechanisms; linkages between global, regional and national programmes; collaboration with United Nations specialized agencies, regional commissions and other intergovernmental regional organizations; leveraging additional resources to enhance the impact and effectiveness of the regional programmes; and built-in monitoring and evaluation mechanisms to ensure that the focus would become even more refined and that the results of monitoring and evaluation would be fed back into the implementation of the regional programmes.

148. Delegations expressed general satisfaction with and endorsed the implementation strategy. They agreed that the document provided a useful and clear elaboration of the programmes contained in the RCF, and presented tangible indicators of success, as well as a comprehensive description of the programmes and projects that would be implemented.

149. A number of delegations expressed approval of particular aspects of the implementation strategy, namely, its institution-building and institution-strengthening components, the emphasis on evaluations, the subregional and thematic focus, and support for the use of the technical cooperation among developing countries (TCDC) modality. One delegation in particular welcomed the harmonious overlap of UNDP development activities in the region with its bilateral programme.

150. Strong support was expressed for the Association of South-East Asian Nations (ASEAN) subregional programme and for the need to build a sense of community within North-East Asia through the Tumen River Area Development Programme. The South Asian Association for Regional Cooperation (SAARC) Trade and Equity Programme was also considered to be timely and well-targeted. The South Asian Poverty Alleviation Programme (SAPAP) was viewed as presenting opportunities for replication in other parts of the region. Delegations requested details on how individual national and governmental institutions would be involved in the implementation of SAPAP and how the programme would provide catalytic support to national poverty programmes with SAARC countries. Delegations also expressed appreciation for the sensitivity to regionally defined values in work in the area of governance. Delegations also expressed support for the Mekong River Programme and requested that additional programme areas be identified for the extension of Global Environment Facility activities within the programme. Delegations endorsed the Asia Pacific Development Information Programme.

151. Several delegations inquired if and how UNDP regional programmes would address the current financial crisis in South-East and East Asia, and queried what role UNDP could play in the situation.

152. The Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific and the Chief of the Regional Programme and Policy Division responded to the comments and queries of delegations. The Assistant Administrator noted that regional programmes sought to bring countries together, particularly on sustainable human development themes such as gender, poverty eradication and the environment. Lessons learned from the evaluation of SAPAP would be shared with other subregions and regions. Many regional and national institutions would be actively engaged in the implementation of SAPAP. The Tumen River Development Programme helped to foster peace and stability in North-East Asia. With regard to the financial crisis, it was observed that challenges for individual countries were best addressed at the national level.

153. The Chief of the Regional Programme and Policy Division indicated that UNDP shared the positive view expressed by one delegation that the work of its bilateral programme dovetailed with that of UNDP, including in terms of the ASEAN programme and support for the ASEAN secretariat. He also noted that the Regional Bureau for Asia and the Pacific's piloting of information technology in the region was an especially useful tool and a particularly appropriate medium for the exchange of information about regional programme activities. Regarding the recent financial crisis in the region, while UNDP did not have a financial mandate, the organization's entry point would be in terms of the impact of the crisis on the most vulnerable groups.

154. The Executive Board approved the implementation strategy for the first regional cooperation framework for Asia and the Pacific (1997-2001) as contained in document DP/1998/8.

Europe and the Commonwealth of Independent States

155. The Assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States introduced the implementation strategy for the first RCF (DP/1998/9). He noted that he was pleased to share with Executive Board members the Bureau's year-end publication, "Making Things Happen, Getting It Done". He highlighted the key features of the RCF, which was composed of seven projects in five areas of focus: poverty eradication; gender equality; governance; sustainable livelihoods; and the environment. The main principle in the design of the framework was that each of the seven projects would support a national project or activity, financed out of country-level UNDP resources, as the main instrument for advocacy, capacity-building and implementation at the country level. At the same time, each national project would feed back experience into a regional project and to other national projects, so that an operational TCDC network would become a reality. The Regional Support Centre had been established in Bratislava to oversee implementation of the RCF. Feedback of data from national and regional cooperation would facilitate coordination and strengthen links between regional projects and respective donor agencies. It would also assist in the implementation of global projects in the region.

156. Many delegations commended the Regional Bureau for Europe and the Commonwealth of Independent States for the high quality of the document and for the conceptual foundation of its design. They endorsed the overall thrust and thematic priorities of the RCF. One delegation asked why Saint Helena had been included in the region.

157. One delegation remarked that in paragraph 7 (f) of document DP/1998/9, mention should have been made of the possibilities for collaboration between UNDP and other donors, particularly the European Union and the Organisation for Economic Cooperation and Development (OECD). The emphasis given to TCDC was commended. Another delegation highlighted the relevance of the small- and medium-scale enterprise project that had originated as a successful national project in his country. The governance project was commended for the support it had given to the Third International Conference of New or Restored Democracies on Democracy Development, which was held in Bucharest, Romania, from 2 to 4 September 1997. Support was also expressed for giving higher priority to the strengthening of subregional transport networks, including the linkages between the "Silk Road" in Central Asia and Europe.

158. Other delegations stressed the need to strengthen links with the Economic Commission for Europe (ECE), particularly in the areas of the development of social indicators, and with the European Union, in relation to the environment. They also highlighted the relevance of the projects relating to the environment, small- and medium-scale enterprises, governance and the management of external resources to their countries. The situation of the Regional Support Centre in Bratislava was commended.

159. One delegation observed that his country hoped that the post of the Assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States would be upgraded to that of Assistant Secretary-General, thus making the level of the post the same as the comparable posts in the other regional bureaux. The same delegation inquired about what UNDP would be able to do in terms of follow-up to the Third International Conference of the New or Restored Democracies on Democracy Development.

160. The Assistant Administrator and Regional Director for the Bureau for Europe and the Commonwealth of Independent States thanked the delegations for their constructive comments, which would be incorporated into the development of the regional programme.

161. UNDP would continue to work closely with the other actors in the region, as stated in the first RCF (DP/RCF/REU/1). Perhaps UNDP cooperation with the European Union and OECD should have been elaborated on again in the implementation strategy.

162. On the query by one delegation about why Saint Helena was covered by the Regional Bureau for Europe and the Commonwealth of Independent States, the Assistant Administrator noted that Saint Helena had asked to be included in the region.

163. Regarding TCDC, the region shared its experience with Latin America in particular, especially since that region recently had been through a similar transition process. Regarding one delegation's query about follow-up to the recent conference on new or restored democracies in Bucharest, UNDP had followed up and would be willing to listen to suggestions about follow-up in the future.

164. In terms of projects relating to infrastructure, the "Silk Road" project could be expanded to include other elements in the region. Regarding the comment on the development of indicators, UNDP was working with ECE on the development of social indicators and with the European Union in the area of environment. The Assistant Administrator also mentioned that the Regional Bureau was planning to convene a meeting on the subject of human rights, scheduled to be held in Yalta, Ukraine, in September 1998, in commemoration of the fifth anniversary of the World Conference on Human Rights, held in Vienna, Austria, from 14-25 June 1993.

165. The Associate Administrator took the floor briefly to announce that the position of the Assistant Administrator and Director of the Bureau for Europe and the Commonwealth of Independent States had been upgraded to that of Assistant Secretary-General.

166. The Executive Board approved the implementation strategy for the first regional cooperation framework for Europe and the Commonwealth of Independent States (1997-1999) as contained in document DP/1998/9.

Latin America and the Caribbean

167. In introducing the implementation strategy for the first RCF for Latin America and the Caribbean (DP/1998/10), the Assistant Administrator and Director

of the Regional Bureau for Latin America and the Caribbean concentrated his opening remarks on the value-added of the regional programme; the consultation process that had been undertaken in formulating the strategy and which was ongoing in terms of programme and project development; the thematic areas of focus; the monitoring and evaluation initiatives being developed; and the financial aspects of the programme.

168. With regard to the value-added of the regional programme, the Assistant Administrator observed that the programme provided a long-term vision for the development efforts in the Latin America and Caribbean region. In addition, owing to its areas of focus and the activities contained therein, there was also a policy-related dimension to the programme. Other important aspects included its complementary nature in terms of national-level activities and the region-wide networking strategy to be implemented.

169. The Assistant Administrator underscored the fact that during the formulation of programmes and projects, the consultative process undertaken to define the priority areas of the programme was continuing with the relevant sectors of Governments. With regard to monitoring and evaluation, the Regional Bureau was developing a matrix consisting of some 40 variables to be used to assess the impact of national and regional projects. In addition, work was ongoing with the Office of Evaluation and other units to produce better definitions of performance indicators for each regional programme and project.

170. The decline in core resources from the $20.7 million listed in the resource mobilization target table of the first RCF for Latin America and the Caribbean (DP/RCF/RLA/1), which was submitted to the Executive Board at its first regular session 1997, to the $15.2 million currently targeted for the period of the RCF was highlighted. In that connection, the importance of mobilizing additional resources as well as building partnerships with and among other donors and international financial institutions in order to realize greater programme and project impact were key facets of the regional programme.

171. Many delegations registered strong support for the implementation strategy for the first RCF as a whole and expressed their appreciation for the details supplied on implementation strategies for each thematic area. Several delegations also welcomed the consultative process that had been initiated in the formulation of the implementation strategy document. Nevertheless, some delegations stated that there was a need to increase dialogue between UNDP and national focal points for technical cooperation. Enhancing the flow of information, they maintained, would provide for better coordination of the programme.

172. Many delegations drew attention to and registered concern about the declining amount of core resources for the regional programme. In that connection, they underscored the importance of complementary resources and the fostering of partnerships.

173. Specific questions were raised about the apparent lack of attention to indigenous people; the role and involvement of national institutions, particularly NGOs, in the building of information and sustainable development networks; the specific countries participating in the comparative studies on

social public expenditure and macroeconomic policies; and the complementary nature of UNDP work in the area of regional integration with that being conducted by the Latin American Economic System (SELA).

174. In responding to the issues raised by delegations, the Assistant Administrator and Director of the Regional Bureau for Latin America and the Caribbean stressed the importance of strengthening dialogue between national Governments and particularly between technical cooperation focal points as programmes and projects under the RCF continued to be formulated and implemented. The web page to be established would help to keep Governments, UNDP country offices and other stakeholders and partners informed on all matters pertaining to the regional programme, thereby enhancing coordination. He also observed that subregional meetings for follow-up on programme formulation and execution would be convened periodically.

175. With regard to the inadequate attention in the implementation strategy document to indigenous populations, the Assistant Administrator stated that poverty and environmental issues could not be addressed without taking into consideration all disadvantaged groups, and that the concerns of indigenous populations were being addressed in the relevant programmes and projects.

176. Commenting specifically on the incorporation of national institutions into information networks, the Assistant Administrator noted that the intention was to work with existing networks in order to establish the Network for Sustainable Development in the Americas. He noted that the Caribbean dimension of the Small Island Developing States Network (SIDSNET) would be linked to the hemispheric network and assured delegations that information on all key sectors would be incorporated.

177. In response to a specific query by one delegation, the Assistant Administrator listed the 11 countries participating in the comparative studies on social public expenditure and macroeconomic policies and indicated that the delegation had been invited to participate.

178. The Assistant Administrator reiterated his and the Bureau's commitment to the implementation of the regional programme. The programme's success, he suggested, would rest heavily on the continuation of the good relationship that had been built between the Regional Bureau and its national partners. He looked forward to strengthening that relationship.

179. The Executive Board approved the implementation strategy for the first regional cooperation framework for Latin America and the Caribbean as contained in document DP/1998/10.

VI. RESOURCE MOBILIZATION

Change and non-core funding

180. The Administrator introduced the report on the policy implications of change and non-core funding (DP/1998/3), the executive summary of "Building Development Partnerships through Development Financing" (DP/1997/CRP.25), the

review of the round-table process (DP/1998/CRP.2), and policy implications of change and non-core funding: case studies (DP/1998/CRP.3).

181. Fifty-four delegations took the floor in the discussion of the subject, with many speakers supporting the approach outlined in document DP/1998/3. Most speakers underlined the severe situation created by the declining contributions to the core budget of UNDP. Core contributions ensured that activities were undertaken in line with the principles of universality and multilateralism. However, given the increase in non-core funding, many delegations recognized its important role and requested regular and transparent reporting to the Executive Board on non-core funding. Some delegations underlined that they did not see a linkage between the rise in non-core and the reduction in core funding, given the contributions of some donors to both types of funding.

182. Many speakers suggested that guidelines on the use of non-core resources were needed, in particular to create equal accountability for both forms of funding. That measure must include ensuring utilization of non-core resources in UNDP priority areas and cost-recovery from non-core activities to avoid subsidizing non-core activities by core funding. One delegation requested an independent evaluation of non-core funding in the near future. Many delegations emphasized that UNDP must not move away from its mandate through use of non-core funding and that it must demonstrate that it had the capacity to handle non-core funding activities. UNDP interventions must be country-driven, and in that regard, programme countries should have a role in how non-core funding was utilized, some speakers noted.

183. Many delegations noted the sizeable amount of non-core funding, mainly through Government cost-sharing, in their own countries. The amount of non-core was often many times greater than that of core funding. In such cases, core resources were seen as seed capital for the attraction of non-core resources. The importance of UNDP cooperation in their countries in building national capacity was highlighted by many speakers. Some speakers underlined that the high levels of non-core funding in some countries allowed UNDP to utilize its core funds to benefit low-income countries. One speaker cited General Assembly resolution 42/211, in which the General Assembly had requested non-core funding to be integrated coherently in UNDP. Non-core funding must thus be incorporated in the country cooperation frameworks.

184. One delegation, also on behalf of two others, stated that the report did not respond to their questions on the impact of non-core funding through trust funds, the global framework, and loans from international financial institutions. Document DP/1998/3 described only the advantages of non-core funding. A more detailed picture was needed, with inputs from the World Bank, the Inter-American Development Bank and the United Nations Office for Project Services. There was concern that UNDP was becoming an executing agency for the Bretton Woods institutions. The subcontracting to external bodies clearly could not be subject to prior programming of UNDP. The management of activities funded through non-core activities was taking an increasing amount of resident representatives' time, which was turning UNDP into a planning and development agency. The delegations had serious concerns about direct implementation by UNDP.

185. One delegation stated that government cost-sharing provided for over 62 per cent of non-core funding and noted that most of non-core funding was limited to certain countries. Several speakers commented that it was not clear how the future growth of non-core resources could benefit low-income countries.

186. Another delegation, on behalf of the Executive Board members from the Latin America and the Caribbean Group, expressed appreciation for the work of UNDP in their countries. The decline in contributions to core resources and its resulting impact on development activities was of key concern. In the Group's view, document DP/1998/3 did not examine all modalities of non-core funding since it focused mainly on government cost-sharing, and not on trust funds and third-party cost-sharing. Information on contributions from NGOs and the private sector was not included. The Group was of the opinion that given the reduction in core resources, non-core contributions had allowed the activities in UNDP priority areas to continue.

187. One delegation, on behalf of the Caribbean Community, expressed concern about the rise in non-core funding. Countries that had reached graduation were vulnerable and still faced harsh economic realities. Steps needed to be taken to improve the presence of UNDP in the Caribbean region.

188. It was noted that the expanding role of national execution necessitated some adjustment to policies and procedures. Many speakers expressed support for the increased use of that modality, including through joint management. One delegation, supported by others, favoured the language contained in paragraph 53 of document DP/1998/3 with regard to UNDP provision of support services for implementation within certain parameters. One delegation noted concern about the decline in execution by specialized agencies. Another delegation expressed appreciation for the establishment of the Regional Support Centre for the Regional Bureau for Europe and the Commonwealth of Independent States region in Bratislava, which had facilitated training with regard to new rules and regulations.

189. One speaker, supported by others, underlined the need for UNDP to demonstrate the impact of its activities in order to ensure sustained contributions to the core budget. In that regard, visual materials were needed, as well as Goodwill Ambassadors. Another delegation emphasized the need for UNDP to give sufficient incentives to donors to increase their contributions.

190. One delegation commented on the section concerning the round-table process in document DP/1998/CRP.2, stating that round-table meetings provided a development forum between major donors and recipients on strategies and policy reforms. UNDP had made a major contribution to economic growth in developing countries over the past 25 years through the round-table process. However, the speaker encouraged UNDP to proceed with caution when round-table meetings involved politically sensitive elements. Close consultations with all parties should take place as matters relating to the round-table process had political implications. In that regard, his delegation believed that the role of international organizations should be supplementary to that of major stakeholders in a particular region. Reporting to the Executive Board on the outcomes of round-table meetings should be institutionalized in order to ensure proper feedback. The document was thus useful and should be updated

periodically. Two delegations requested a continuation of the discussion on round-table meetings at the annual session 1998.

191. Some speakers requested more information on the effects of non-core funding to countries in special circumstances, in particular as referred to in paragraph 20 (b) of document DP/1998/3.

192. The Assistant Administrator and Director of the Bureau for Planning and Resource Management noted that the approach to and principles for non-core funding had been well articulated by many of the speakers. He informed the Executive Board that there would be increased reporting on non-core funding and the neutrality of UNDP would not be compromised. The aspects of non-core funding not elaborated on in document DP/1998/3 would be covered in the informal discussion on case studies. More detailed information on statistics on cost-sharing in the different regions would be provided in the informal session. He agreed that it was a legitimate concern that least developed countries could not benefit from government cost-sharing and, in that regard, a healthy core budget would benefit those countries the most. He agreed that UNDP needed to safeguard the multilateral aspect of UNDP and direct its resources to least developed countries. New financial reporting systems would allow for more standardized reporting to development partners. On national execution, he noted that the rapid shift to that modality had created some concern, in particular with regard to national capacity. Specific conditions for continued country office support to national execution had been proposed in document DP/1998/3. In addition, new guidelines for national execution would soon be issued.

193. The Assistant Administrator stated that there seemed to be an emerging consensus that programme countries would gain from all sources of funding as long as they remained country-driven. He noted that the United Nations Development Assistance Frameworks would support integrated approaches to resource mobilization and programming, including with specialized agencies and the United Nations Office for Project Services. With regard to cost recovery, he noted that UNDP charged for additional work created by non-core projects. The fact that those fees were relatively modest for nationally executed projects, typically 3 to 5 per cent, compared to the 13 per cent charged by United Nations specialized agencies was an illustration of the characteristics of national execution, where the Government carried out most of the functions with only limited support by UNDP. In response to a query raised, he confirmed that paragraph 20 (b) did refer to UNDP approaches to countries in special circumstances.

194. The Executive Board approved the following decision:

98/2. Review of policy implications of change and non-core funding

The Executive Board

1. Recalls General Assembly resolutions 47/199, 50/120, 50/227 and 52/203, Economic and Social Council resolution 1997/59, and its decisions 90/14,

95/23 and its decision 97/15 on change management, particularly paragraphs 9 and 10 thereof;

2. Welcomes the report of the Administrator (DP/1998/3) and takes note of the comments made thereon by delegations;

3. Reaffirms that the fundamental characteristics of the operational activities of the United Nations Development Programme should be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism;

4. Emphasizes the role of the United Nations Development Programme as a development partner and facilitator in responding to development needs, including the assistance in mobilizing funds in support of programme country development priorities from all available sources;

5. Recalls that core resources are the bedrock of the United Nations Development Programme and that they ensure universality, predictability, neutrality and multilateralism at the United Nations Development Programme as well as the ability to respond in a flexible way to the needs of programme countries, in particular those of least developed countries and low-income countries;

6. Expresses deep concern on the decline in core resources and the negative impact of this decline on the future work of the United Nations Development Programme and requests that the respective proportions of core and non-core resources be kept under review;

7. Recognizes the importance of non-core resources, including cost-sharing and non-traditional sources of financing, as a mechanism to enhance the capacity and supplement the means of the United Nations Development Programme to achieve the goals and priorities specified in decision 94/14;

8. Reaffirms the role of the United Nations Development Programme at the country level in providing a range of support services for national execution and the implementation of the projects of the United Nations Development Programme, including those funded by non-core resources, within the parameters below:

(a) Support will be provided only at the request of programme country Governments;

(b) Support will be provided only for activities within the country cooperation framework and the sustainable human development framework;

(c) Support will be provided based on a thorough capacity assessment of the executing agent, particularly with regard to administrative and operational management capacity and with regard to full accountability for funds managed by the United Nations Development Programme;

(d) Support will be accompanied by appropriate capacity-building measures, including clear exit strategies to ensure that long-term capacity-building objectives are achieved;

(e) As part of the revision of the national execution procedures, appropriate instruments will be put in place to improve the monitoring and the evaluation of such services, including obligatory annexes to all project documents stating the nature and scope of such support as well as the functions and responsibilities of the parties involved;

(f) At the request of the Government of the programme country, the United Nations Development Programme will take systematically into account services that can be provided by United Nations specialized agencies or other relevant execution, implementing and procurement agents;

(g) In accordance with Executive Board decision 94/28, the role of the United Nations Development Programme as executing agent shall remain limited to countries in special circumstances and apply only when it can be demonstrated that it is essential to safeguard the full responsibility and accountability of the Administrator for effective programme and project delivery;

9. Requests that, when the United Nations Development Programme develops, implements and manages activities funded by non-core resources, in an integrated, transparent, flexible and accountable manner, the additional costs resulting from non-core-funded activities be fully recovered and requests also that these activities and their support costs be systematically identified in the cooperation frameworks;

10. Requests the Administrator to submit to the Executive Board at its annual session 2001 an evaluation, in consultation with programme countries, relevant units of the United Nations system and with members of the Board, on all aspects of activities funded by non-core resources, including government cost-sharing, and on their impact on national capacities, particularly concerning the modalities applied by the United Nations Development Programme;

11. Decides to keep the trends and impact of non-core resources under close review and to this end requests the Administrator, in the context of his annual report, to provide comprehensive information thereon, including on their amount, origin, destination and influence on programming.

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195. One delegation explained that its acceptance of paragraph 8 (g) of the decision had been a compromise. His delegation understood the text to mean that UNDP country office support to national execution and programme implementation would not include project execution activities and functions similar to subcontracting.

Funding strategy

196. The Administrator stated that the discussions on change, focus and non-core resources had been some of the most important discussions in the Executive Board in recent years. The active participation of Board members and observers demonstrated the high degree of support, commitment and ownership on the part of both programme countries and donors. He particularly appreciated the number of programme countries that had spoken so well about the work of UNDP. The statements of the programme countries about the development realities in their countries enriched the discussion by adding a great deal of substance and detail. The Board was also setting new guiding principles for the work of UNDP. A consensus was emerging on the guiding principles for the substantive role and focus of UNDP and it was hoped that the same would be the case for the parameters for the UNDP role in non-core resources mobilization and country office support to national execution. Such a consensus was important to UNDP and it would definitely not mean business as usual for UNDP.

197. Based on those comments, the Administrator expressed his firm resolve to ensure that core and non-core resources would be deployed by the same guiding principles, which would better define the SHD focus of UNDP. Non-core and core funding would operate under the same policies and procedures, with no double standards. New interventions would not be approved without applying the guiding principles, and existing activities would be reviewed in light of the decisions made during the present session.

198. He stated that country office support to national execution would be provided only at the request of programme countries and only to support clear SHD objectives and capacity-building, accompanied by clear exit strategies. All existing activities would be reviewed to ensure that any activities that did not fulfil those objectives were phased out. A special effort would be made to ensure that low-income countries could benefit from the growth in non-core resources, responding to key developmental priorities.

199. The Administrator stated his intention to submit, within the context of UNDP 2001, to an evaluation starting in two years, that would focus on how the guiding principles and the parameters set were applied. Every delegation was invited to take a closer look at the work of UNDP, through field visits, assessments at the country level, and through the triennial reviews of country cooperation frameworks.

200. Discussion then followed on the report of the Administrator on moving towards a sustainable funding strategy for UNDP (DP/1997/CRP.23), which had been formally introduced at the third regular session 1997.

201. One delegation, also on behalf of another, welcomed the timeliness of the discussion. Both delegations reiterated the importance they attached to core resources for UNDP and stated that both core and non-core funding were integral components of a broader UNDP funding strategy. They recognized that a continued decline in core resources had caused great difficulties for the implementation of UNDP country programmes and the efforts of the Administrator to protect country programmes by extending their implementation phase. However, there was concern that further programme extensions could ultimately affect programme

results and the credibility of UNDP as a reliable development partner. The Executive Board thus needed to be better informed on the overall funding commitments made when approving country cooperation frameworks and to be fully aware of the potential financial implications of policy and other types of decisions brought to the Board for decision. Action to address UNDP funding needed to be forthcoming, taking into account several considerations, including the linkages between core and non-core funding, between UNDP funding and its capacity to implement programmes and between UNDP funding and its role and place in international development. The mandate given to the Board by the General Assembly and the Economic and Social Council also needed to be considered, in particular in light of United Nations reform. The Board needed to reconcile those factors with the longer-term period needed to effectively address UNDP funding. The Board should adopt a holistic and strategic approach to the matter, through short-term practical measures and with a longer, more strategic reflection process that would conclude with the adoption of a funding mechanism to place UNDP funding on a more secure and predictable basis.

202. The Secretariat was requested to produce a three-year financial forecast outlining the commitments resulting from programming, policy and reform decisions adopted by the Executive Board during the fifth cycle, and during earlier cycles, if appropriate. The ultimate objective of such a process would be to develop a compact to ensure a sustainable funding base for UNDP. Any change made to the basic funding principles of UNDP should also be equally applicable to other funds and programmes.

203. The two delegations proposed the creation of an ad hoc, open-ended working group of the Executive Board, to be chaired by one of the Vice-Presidents of the Bureau to be appointed by the President. The group would report to the Board on progress achieved at each of the sessions in 1998. The Board should agree on a mandate and realistic timetable for such a group. In their opinion, the mandate of the working group should include, among other things: the creation of an enabling environment that would allow UNDP to see an increase in core contributions, including a review of the current UNDP communication strategy; consideration of various financing mechanisms that take into account different legislative procedures in donor countries; the development of a methodology to set realistic financial targets for core resources; consideration of the current UNDP funding allocation criteria in light of the economic and financial changes that had recently taken place; and a review of the contribution to country development objectives of all existing funding modalities for systems and programmes that drew funding from core resources. The third regular session 1998 was proposed as a target date at which the Board could adopt the first of a number of decisions that would ultimately comprise a UNDP funding compact.

204. Delegations welcomed the proposal for an ad hoc open-ended working group on the funding strategy and expressed their commitment to participating in the group. Many speakers emphasized the importance of the working group's terms of reference. Speakers suggested several issues to be addressed by the working group, including funding levels, predictability, eligibility and graduation, and technical issues such as distribution and the resident coordinator system.

205. Many speakers underlined that core contributions should remain the bedrock of UNDP in order to preserve the organization's multilateral character. The

sharp decline in core contributions during the past few years was of great concern to all. Many speakers noted the severe impact of the decline in funding on least developed countries. Political will was needed to resolve the problem. It was agreed that the time had indeed arrived for agreement on a sustainable funding strategy that would allow for funding on a predictable and assured basis. Some speakers encouraged emerging donors to make additional contributions to UNDP. Several delegations suggested widening the donor base in an effort to obtain a more equitable formula for burden-sharing in funding core contributions. It was noted by some that many programme countries had increased their contributions in recent years. Some speakers suggested the institution of a multi-year pledging mechanism.

206. Several speakers underlined the need for UNDP to refocus its activities and to have a stronger profile in donor countries. Parliamentarians in particular needed to be sensitized about the achievements of UNDP. One speaker noted that UNDP had been very effective in presenting its work to his Government, which had helped to increase its contribution in 1998 to $98 million. The request for the 1999 contribution would be commensurate with that of 1998. Some delegations recognized the positive efforts UNDP had made to increase programme delivery, reduce expenditures and narrow its focus. Others underlined the need for UNDP to examine its own future and determine how it would operate in coming years.

207. One delegation, also on behalf of another, noted that many of the ideas presented with regard to the funding strategy were contained in the Nordic Reform Project, including assurance of funding on a predictable and continuous basis and contributions from all donors to the financing system. That delegation also suggested that the discussion on focus at the present session be linked with the new funding strategy.

208. Some delegations noted that it would be difficult for them to commit to multi-year pledges. One delegation stated that it was essential to maintain the principle of voluntary contributions to UNDP. Another speaker stated that funding targets needed to be more realistic to avoid the long debate when those targets could not be achieved. Some speakers noted that while the strong dollar reduced the value of the exchange rate for some currencies in their contributions to UNDP, it also increased the purchasing power of UNDP. One delegation stated that the eligibility criteria for core resources for programme countries should be reconsidered. That delegation wondered if UNDP could to maintain its presence in all programme countries. Some delegations questioned whether it was appropriate for UNDP to continue funding all the costs of the resident coordinator system. One delegation requested that countries in special circumstances be given particular consideration.

209. The Administrator responded to the comments made in the debate. He emphasized that the future of UNDP was at stake. He noted a broad agreement among Executive Board members to build up core contributions on a more assured basis. UNDP would act in partnership with the working group and provide inputs as requested. The suggestions made by delegations would be very useful. He noted that two upcoming processes would also contribute to the discussion, including the debates on the Secretary-General's report on funding and the process of examining financing pursuant to recent General Assembly and Economic and Social Council resolutions. He urged programme countries to communicate

more with donors. More feedback from middle-income countries who received international assistance would be welcomed. The Administrator stated that UNDP would work to increase its contribution to India and noted with appreciation that country's contribution to UNDP. South-South cooperation would increase. In closing, he stated that he looked forward to working with the Executive Board on the funding strategy.

210. The Executive Board approved the following decision:

98/3. Funding strategy for the United Nations Development Programme

The Executive Board

1. Takes note of the report of the Administrator on moving towards a sustainable funding strategy for the United Nations Development Programme (DP/1997/CRP.23) and the comments made during the Executive Board discussion;

2. Reaffirms that core resources are the bedrock of the United Nations Development Programme and that they ensure the universality, predictability, neutrality and multilateralism of the Programme as well as the ability to respond in a flexible way to the needs of programme countries, in particular those of the least developed countries and low-income countries;

3. Notes with concern that, despite significant improvements in efficiency at the United Nations Development Programme, core resources declined during the previous programming cycles and fall short of the initial planning figure set in decision 95/23 and of the increasing needs of programme countries; and notes with appreciation the contribution of programme countries to core resources of the Programme; and notes that, despite contributions from a new set of member countries, core funding remains dependent on a limited number of donors; that to manage this funding shortfall, the Administrator extended the implementation phase of some country programmes; and that further programme delays may affect programme results and the credibility of the Programme as a reliable development partner;

4. Recognizes that core and non-core resources are components of the United Nations Development Programme funding; that urgent action by the Executive Board is needed to deal with the funding situation in the short and longer terms; that a clearer profile of the role of the Programme at all levels is needed; and that, simultaneously, in accordance with General Assembly resolution 50/227 and Economic and Social Council resolution 1997/59, the Executive Board needs to set specific and realistic targets for core resources and decide on a future funding mechanism to make the funding of the Programme more secure and predictable;

5. Recognizes that positive results of the efforts to narrow the focus of United Nations Development Programme activities will play an important role in mobilizing core resources for the Programme in the future;

6. Requests the Administrator to present to the Executive Board, at its second regular session 1998, a three-year financial forecast outlining the financial commitments as of 31 December 1997 entered into by the United Nations Development Programme as a result of Board decisions on country cooperation frameworks, regional and global programmes, and other policy, administrative, and reform measures; and to ensure that the financial implications of all future programming, administrative, and policy recommendations brought for Board approval are presented to the Board prior to their adoption;

I. SHORT-TERM ACTION

7. Urges all member countries, in particular the donors and other countries in a position to do so, to contribute additional funds to United Nations Development Programme core resources and to make early payment of their contributions;

8. Requests the Administrator to ensure that, in the short term, administrative costs will be maintained at levels currently agreed upon, as per decision 97/24, and that all additional contributions to core resources will be used exclusively to implement United Nations Development Programme development activities;

II. DEVELOPING A SUSTAINABLE FUNDING STRATEGY FOR UNDP

9. Decides, taking fully into account discussions in other forums, to convene an open-ended, ad hoc working group on the United Nations Development Programme funding strategy and requests the President of the Bureau of the United Nations Development Programme Executive Board to appoint a Bureau Vice-President to serve as chairperson, and requests the Secretary of the Executive Board, and other relevant Programme divisions, to facilitate and support the working group deliberations;

10. Decides that the mandate of the open-ended, ad hoc working group shall be:

(a) A review of various funding mechanisms as well as other options for the United Nations Development Programme so as to place the funding of the Programme on a predictable, assured, and continuous basis, taking into account various budgetary processes in contributing countries, as well as the need for more equitable burden-sharing among donor countries;

(b) Development of guidelines and criteria to set funding targets for the United Nations Development Programme core resources, based in particular on: (i) the goals and priorities of the Programme as specified in decisions 94/14 and 95/23; (ii) the development needs and priorities of programme countries as identified in country cooperation frameworks; (iii) projected core contributions; (iv) the funding role of the Programme within the larger context of international development financing; and (v) existing long-term commitments and strategies;

11. Acknowledges the relevance of upcoming Executive Board discussions on the successor programming arrangements, including the review of the current eligibility criteria for the allocation of core resources to programme countries, and the need for a clear institutional profile to increase public awareness and generate support, and to develop an effective communication and information strategy to be used in advocacy work for the United Nations Development Programme;

12. Requests the Administrator to ensure that close coordination and consultation with similar efforts undertaken by other United Nations funds and programmes will be provided for throughout the work of the working group to ensure, to the extent possible, consistency in approaches and mechanisms adopted by the Executive Boards of United Nations funds and programmes to respond to the mandates of the General Assembly and the Economic and Social Council;

13. Requests the President of the Executive Board to report to the Board on the progress achieved by the open-ended, ad hoc working group, at each upcoming session of the Board with a view to adopting a decision on a sustainable funding strategy at its third regular session 1998.

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211. One delegation requested the working group to include discussion of the financing of the resident coordinator system. Another delegation, also speaking on behalf of another, referred to paragraph 10 (b) of the decision, which referred to the long-term commitment and strategy. That delegation expressed the view that the issue of financing of the resident coordinator system should not be considered in the working group but in another context that had been agreed to in the informals. Another speaker emphasized the need for the working group to be flexible in its mandate.

VII. OTHER MATTERS

Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries

212. The Assistant Administrator and Director of the Bureau for Development Policy introduced the Integrated Framework for Trade-related Technical Assistance as contained in document DP/1998/CRP.4, and a background paper on UNDP follow-up to World Trade Organization (WTO) initiatives for least developed countries (DP/1998/CRP.5). The Framework had been presented and endorsed by the World Trade Organization High-Level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development (Geneva, 27-28 October 1997). At that meeting, the Executive Boards of the United Nations specialized agencies that had worked with WTO on drafting the Framework, including that of UNDP, were asked to endorse it.

213. Several delegations took the floor to welcome the work done by UNDP in the area of trade-related technical assistance and supported the endorsement of the Framework by the Executive Board. The speakers encouraged UNDP to play a

coordinating role in implementing the Framework, in cooperation with other United Nations organizations and within the objectives of sustainable human development. One example would be facilitation of country needs assessments. Round-table meetings devoted to trade were encouraged, within the regular round-table process.

214. Several delegations underlined the need for the least developed countries (LDCs) to direct the process. UNDP could collaborate with LDCs to determine priorities and costs, one speaker suggested. Many emphasized the need for excellent coordination among the agencies involved in implementing the Framework.

215. The representatives of programme countries taking the floor expressed gratitude for the contribution of UNDP to development in their countries and hoped that UNDP could play a positive role within the parameters of the Framework. Adequate support from donors was necessary in implementation of the Framework.

216. UNDP was encouraged to contribute to the discussion at the High-Level segment of the Economic and Social Council, which would be devoted to trade and development. A query was raised as to whether the Framework would be incorporated in future country cooperation frameworks.

217. Several speakers requested UNDP to keep the Executive Board informed of follow-up to the endorsement of the Framework.

218. The Assistant Administrator and Director of the Bureau for Development Policy thanked the Executive Board for its support. She noted that UNDP would pursue its interventions in support to trade within the sustainable human development framework outlined in document DP/1998/5 on narrowing the focus. She agreed that the issue was country-driven and that, in that regard, UNDP had a role in capacity-building. Interventions in the trade development sector would be included in the country cooperation frameworks where applicable.

219. The Technical Adviser on Trade in the Management Development and Governance Division responded to the comments raised. He noted that the theme of trade would be included in the round-table meeting for Chad, scheduled for May 1998. Resident representatives would be informed of the outcome of the High-Level Meeting and would be asked to include the theme of trade, when possible, in round-table meetings.

220. With regard to coordination, he noted that the participating agencies met regularly and had been working out a division of labour to follow up the Framework. In the next meeting, the needs assessments of ten countries and establishment of indicators for follow-up would be reviewed. Each country would determine its own priorities and costing. That would be followed by a needs assessment and an integrated response.

221. The Executive Board endorsed the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries (DP/1998/CRP.4) and took note of the report of UNDP follow-up to World Trade Organization initiatives for least developed countries (DP/1998/CRP.5).

International Vaccine Institute

222. One delegation informed the Executive Board that the International Vaccine Institute (IVI), initiated by UNDP, had been officially launched in October 1997.

223. The Institute was the world's first international institute dedicated to vaccine science and was established to address the magnitude of child deaths from infectious diseases, mainly in developing countries, which were largely preventable by vaccination. As of the present time, 30 countries and the World Health Organization were signatories to the Establishment Agreement of the IVI. The IVI was the first international organization hosted by the Government of the Republic of Korea. Every effort had been made by the Government of the Republic of Korea to provide full support to the Institute. It was expected that the Institute would enjoy the full participation and support of all concerned countries and relevant international organizations, especially UNDP and its Executive Board.

Administrative questions

224. One delegation requested information regarding the number of staff working at UNDP headquarters. Progress reports on the integrated management information system and on discussions on common services with UNFPA and UNICEF were requested for the annual session 1998.

225. The Associate Administrator stated that as a result of the growth in non-core funding, additional staff were working at UNDP headquarters. In addition, there had been an increase in the number of junior professional officers at headquarters. An update would be provided at the annual session. He noted that UNDP was implementing the integrated management information system in tranches. The issue of common services was being discussed within a working group of the United Nations Development Group as well as within United Nations-wide common services groups organized under the auspices of the Department of Administration and Management in the United Nations Secretariat.

Global mechanism of the Convention to Combat Desertification

226. The Director of the Office to Combat Desertification and Drought (UNSO) presented an oral report on the outcome of the First Conference of the Parties (COP) (Rome, 29 September to 10 October 1997) relating to the Global Mechanism of the Convention to Combat Desertification (CCD).

227. The COP adopted a number of key decisions, including those on the location of the Permanent Secretariat of the CCD, the programme and the budget of the secretariat, the establishment of the Committee on Science and Technology and arrangements for the Global Mechanism. With regard to the Global Mechanism, there were four substantive outcomes: (a) an agreement reached on its functions; (b) a decision to set up a collaborative institutional arrangement involving UNDP, the International Fund for Agricultural Development (IFAD), and the World Bank; (c) a decision to house the location of the Global Mechanism in Rome at IFAD and for UNDP to designate its head; and (d) UNDP is expected to play a lead supportive role for operational activities, in particular at the

country level. With regard to the last point, UNDP, in particular through UNSO, was expected to: (a) provide technical backstopping to national action programmes, the subregional action programmes processes, and the establishment and operation of national desertification funds; (b) work on drought preparedness and mitigation, environmental/desertification information systems, and indicators, as well as special thematic initiatives in the context of the CCD; (c) support the substantive work of the Global Mechanism within the collaborative institutional arrangement; (d) support the Global Mechanism management; (e) mobilize catalytic resources through the UNDP Trust Fund to Combat Desertification and Drought; and (f) promote activities under UNDP core and non-core funding for combating drought and desertification.

228. The Director noted that UNDP had already begun working with IFAD to designate the head of the Global Mechanism and had reached agreement on the Profile and Selection procedure. Candidates for the post would soon be identified.

229. In conclusion, the Director noted that 1998 marked the twenty-fifth anniversary of UNSO. He expressed appreciation to countries that had provided support through UNSO to countries affected by drought and desertification. Experience gained by UNSO since its inception enabled the Office to play an important role to support efforts of countries to implement the CCD. The CCD provided an innovative framework for a new set of actions at the national, subregional, regional and global levels to reverse land degradation and build sustainable livelihoods in some of the world's poorest countries and regions. The new partnerships that the CCD was seeking to build at all levels would no doubt be the cornerstone for the success of future actions.

230. The Executive Board took note of the oral report on the results of the first session of the Conference of Parties of the Convention to Combat Desertification.

Report on Joint United Nations Programme on HIV/AIDS Programme Coordinating Board

231. The Director of External Relations of the Joint United Nations Programme on HIV/AIDS (UNAIDS) gave an oral report to the Executive Board on the outcome of the UNAIDS Programme Coordinating Board (PCB) ad hoc thematic meeting held in Nairobi from 16 to 18 November 1997. She emphasized that it was essential that the governing bodies of the co-sponsors of UNAIDS take an interest in the work of the inter-agency body whose purpose was to lead and strengthen the United Nations system in the area of HIV/AIDS.

232. She informed the Executive Board that the HIV/AIDS epidemic was growing in many parts of the world. There were now over 30 million people living with HIV, including 20 million in sub-Saharan Africa. Over one half of new infections were in women and many children were born with HIV. New therapeutic anti-viral drugs were becoming available but were costly for the developing world. The gap between developed and developing countries in that regard needed to be reduced. Prevention and alleviation of the impact of the epidemic must also be supported.

233. The fifth meeting of the PCB was the first to concentrate on thematic issues and also the first to be held in a programme country affected by the epidemic. The two thematic areas discussed were the United Nations system at the country level and access to drugs for HIV/AIDS. The PCB focused on the responsibility given to each of the partners, including donors, Governments, the United Nations system, and non-governmental organizations. The Executive Board sought more guidance through the UNDP/UNFPA Executive Board on aspects of country level activities, including participation, earmarking of resources and support for coordination. Performance guidelines for country representatives should also cover actions regarding HIV/AIDS, particularly in the country-level theme groups. Coherent policies towards the work of UNAIDS in the governing bodies of the co-sponsors was also sought. The Director noted that a retreat, including senior managers and country-based staff, would be held in March 1998.

234. With regard to access to drugs, the PCB had called on UNAIDS co-sponsors to collaborate on a step-by-step approach to varying situations throughout the world. The PCB urged UNAIDS to increase prevention efforts and requested Member States to make major efforts to develop vaccines.

235. The Director noted that UNAIDS would continue to report to each meeting of the Executive Board.

236. One delegation encouraged all partners to work more closely together, at both headquarters and country levels. The delegation urged donors to have consistent policies towards the work of UNAIDS in all the governing bodies of the co-sponsors. Cooperation among the co-sponsors at the country level could be improved. In that regard, resident coordinators should have the lead in the United Nations theme groups and UNDP should be encouraged to undertake an active coordination role, as well as technical and monitoring roles. Coordination between headquarters and the country offices also needed to be improved, in particular through guidance from headquarters in policy and technical areas. UNDP was requested to report to the annual session 1998 on the progress as well as the problems encountered in its role as a co-sponsor of UNAIDS.

237. Another delegation stated that it was crucial that the co-sponsors take active responsibility for the work and impact of UNAIDS. Some of the conclusions contained in the report of the PCB meeting were quite relevant to UNDP, including the need to develop clear communications between headquarters and the regional and local offices of UNDP with regard to the theme groups and to HIV/AIDS programme issues. It was essential for UNDP to ensure that its resident representatives were fully able to make and support decisions benefiting inter-agency cooperation.

238. One speaker requested that more details on the operations of UNAIDS at the country level be provided.

239. The Director thanked the Executive Board for its comments and noted that all partners were engaged in a common enterprise to overcome problems. Many issues concerning the operations of UNAIDS were linked to its being a new idea in the United Nations context. UNAIDS would report to the Board at its subsequent session on the outcome of the retreat and at the annual session on the results of the next meeting of the Committee of Co-sponsoring Organizations.

240. The Executive Board took note of the oral report on the outcome of the ad hoc thematic meeting of the Joint United Nations Programme on HIV/AIDS Programme Coordinating Board, held in Nairobi from 16 to 18 November 1997.

TRAC 1.1.3 resources

241. The Associate Administrator provided an update on the status of allocations of the new target for resource assignment from the core (TRAC) line 1.1.3 mechanism for countries in special development situations. He noted that in accordance with Executive Board decision 95/23, five per cent of UNDP core resources had been earmarked for that purpose. The use of TRAC line 1.1.3 would in fact be fully reported on as an integral part of the review of successor programming arrangements to be undertaken later in the year. There were, however, some trends that were emerging.

242. First, the demand for that type of assistance far outweighed the supply. The volume of requests for support to special development initiatives that had been received from programme countries since the establishment of TRAC line 1.1.3 clearly indicated that the need for such resources far exceeded their availability. The current level of allocations was $119 million, out of an authorized programming level of $142 million for the period 1997-2000. A second trend was that the nature of that part of the UNDP programme made it more difficult to manage overall country income-level distribution. For TRAC line 1.1.3 specifically, the current distribution of allocations was as follows: 59 per cent to least developed countries, 41 per cent to non-least developed countries, 73 per cent to low-income countries and 27 per cent to middle-income countries.

243. The Associate Administrator thus drew attention to the significant volume of TRAC line 1.1.3 resources that had been allocated in support to important peace processes and in assisting countries, through various interventions, in their efforts to move from conflict to non-conflict situations. Funding for strategic planning exercises, capacity-building for mine action, reconciliation and more general governance-related programmes and area development programmes had featured prominently in the approvals.

244. The need to provide support to post-conflict peace-building, unlike poverty alleviation per se, in which UNDP had been traditionally involved, was by its nature less restricted to low-income countries. Similarly, all programme countries, irrespective of their income levels, were prone to the incidence of sudden crises and disasters and hence were eligible for support from the related provisions within TRAC line 1.1.3 resources. UNDP looked forward to exploring the issues relating to TRAC line 1.1.3 at the third regular session 1998.

245. One delegation requested further information on the extent to which TRAC line 1.1.3 funds were used to finance preventive activities.

246. The Associate Administrator stated that it was difficult to cite exactly which UNDP activities funded through TRAC line 1.1.3 had been truly preventive. He noted the UNDP activities in governance that strengthened those Governments with fragile systems to help them deal with justice, equity and participation issues. The strengthening of social structures whose weaknesses had led to

conflict could help to prevent a recurrence of conflict. UNDP also helped to sustain peace agreements by trying to promote a continuation of peace. In other cases, UNDP had provided forums for disputing parties, created sustainable livelihoods or helped displaced refugees.

247. The Executive Board took note of the oral report on TRAC line 1.1.3 resources.

VIII. JOINT MEETING OF UNDP/UNFPA AND UNICEF EXECUTIVE BOARDS

248. On Monday afternoon, 26 January 1998, the President of the UNDP/UNFPA Executive Board opened the first joint meeting of the UNDP/UNFPA and UNICEF Executive Boards. He noted that the idea of convening a joint meeting had been discussed for some time, and was finally coming to fruition. In late 1997, the bureaux of the two Boards had agreed to hold a joint half-day meeting on the topic of the overall United Nations reform and its impact on funds and programmes. The Viet Nam country team was invited to share their experience as a pilot country for the United Nations Development Assistance Framework (UNDAF). The presentation would serve as a preliminary indication of the impact of reform at the country level. The respective Boards would continue to monitor the progress of reform in the future.

249. The Resident Coordinator in Viet Nam introduced the UNFPA Country Representative and the UNICEF Representative. He then gave a brief overview of the context in which the United Nations system was working in Viet Nam, concluding that while the UNDAF process was taking place in favourable circumstances, there were lessons to be learned for other countries. Eleven United Nations agencies were represented in Viet Nam.

250. A short film on the United Nations cooperation in Viet Nam was shown.

251. The Resident Coordinator stated that the UNDAF was seen as a valuable tool to build consensus among the United Nations system and identify concrete joint activities. The formulation exercise had begun with a two-day retreat of the United Nations country team (with participation of the World Bank) in October 1997. Consensus was reached on the four focus areas for future United Nations system activities in Viet Nam. Besides the wishes expressed at the retreat to produce a good document, it was realized that the UNDAF formulation exercise was also a good team-building process. A mission statement for the United Nations system in Viet Nam was formulated, stating that the overall mission was to help Viet Nam in its fight against poverty through building capacities to design and carry out programmes that enlarged choices and opportunities for disadvantaged communities, families and individuals. A working group had been charged with facilitating the formulation process, supported by groups for each of the four focus areas.

252. The UNFPA Country Representative informed the Executive Boards of the major milestones in the process to develop an UNDAF in Viet Nam. He noted that a total of 144 indicators had been identified in the provisional list, out of which 30-40 were selected as priorities. Issues papers were produced on follow-up to world conferences and integrated in the UNDAF through the identification

of common priorities. The first draft of the UNDAF, scheduled to be ready in February 1998, would be subject to further discussions and then revised by the target date of April 1998. The process would take at least 26 weeks, longer than the 13 weeks indicated in the provisional guidelines. Several rounds of consultations were needed and there was a need for strong leadership to guide the process. United Nations specialized agencies with limited staff and resources had felt stretched by the process.

253. The UNICEF Representative spoke on current collaborative efforts of the United Nations system in Viet Nam. They included UNAIDS, a poverty eradication project in Ha Giang, a community development programme in Ky Son, the Basic Life Skills Education programme, and the Safe Motherhood Initiative. Tasks that lay ahead for the future included the identification of common priorities, delineating responsibilities among United Nations agencies, reinforcing the United Nations team spirit among staff, increasing programme coordination, strengthening advocacy, and collaborative resource mobilization.

254. The Resident Coordinator concluded the presentation with an overview of the lessons learned: in terms of operational aspects, the preparatory time was substantially longer than the 13 weeks indicated in the provisional guidelines; the use and timing of the use of facilitators should be decided upon by the country team at the very beginning of the process; consultancy services should be used selectively; the guidelines should be applied flexibly; additional human resources were required during the actual formulation phase; and reforms at programming level should be followed by operational reforms. He thanked the Government of Denmark for seconding a person to the Resident Coordinator's office to work with, among other things, the UNDAF formulation exercise. With regard to lessons learned in policy perspectives, he noted that partnership with the host Government was essential; that the UNDAF must be seen in the proper perspective; that the issues of United Nations reform were not new and that there was a delicate balance between the aim of increased cooperation while maintaining individual agency profiles. It was also noted that the UNDAF might eventually replace some existing programming documents currently used and that reform at the country level should be adequately accompanied by reform at the headquarters level.

255. The delegation of Viet Nam thanked the country team for sharing its experiences. The speaker underlined that the lessons learned in the Viet Nam experience would be useful to other countries. He also emphasized the need for the United Nations Development Group to ensure the distinctive identities of organizations. While supporting the objectives of the UNDAF, he noted that the concept was not fully completed and the conclusions on its full impact were not yet known.

256. Many delegations welcomed the joint meeting and expressed their gratitude for the presentations by the country team. The work at the country level was seen as another step forward in creating more effective and more efficient United Nations operations. Support for the Secretary-General's reform package was expressed. Speakers commented positively on the inclusion of the follow-up to global conferences in the UNDAF. Many delegations urged that the lessons learned be incorporated in future UNDAF exercises. Several speakers supported the replacement of some of the existing programming instruments with the UNDAF.

The broad participation of the United Nations system in the exercise was welcomed. The need for the Bretton Woods institutions to participate in the UNDAF process was emphasized. Some speakers referred to the issue of including bilateral donors or the private sector at a later stage. Another speaker emphasized the need for the United Nations House to be established wherever possible. More ideas would be put forward during the triennial policy review of operational activities.

257. Some speakers expressed concern about the length of the UNDAF process and the extra time and resources required and asked whether any steps had been taken by the United Nations to accelerate the process in other countries. One speaker noted that the secondment of government personnel to work on UNDAF matters should not lead to a situation similar to that in the United Nations peacekeeping operations, where government personnel had been assigned to core functions on non-reimbursable loans. He also requested information on whether joint resource mobilization would result in an increase to core resources. Queries were raised regarding how the UNDAF would accelerate capacity-building in Viet Nam, how the United Nations country team planned to harmonize or unify programmes under the UNDAF, and on which agencies were involved in the exercise in the 19 pilot countries. Information was requested on how UNDAF would facilitate joint efforts in the programme approach in dealing with problems, whether there was parallel financing for joint action, on how progress and benefits would be measured, and what would happen to the parts of the programme that did not fit into the UNDAF.

258. Several speakers favoured the convening of joint meetings of the two Boards on a regular basis in the future. One speaker requested the Bureau to develop proposals for future joint meetings linked to matters such as the common country assessment.

259. The Resident Coordinator stated that the UNDAF benefited from direct involvement of the Government. He noted that the guidelines were still provisional and that one issue to revisit might be how to associate Governments more closely with the exercise. If other programming instruments were superseded by the UNDAF, then the Government would have to sign the document. He emphasized that representatives of specialized agencies in Viet Nam were very keen to participate in the exercise. Mobilization of international NGOs and bilateral donors to participate in the exercise was foreseen.

260. The Country Representative of UNFPA stated that he expected that the costs would be reduced as the process progressed. He added that the team strongly supported national execution and the sector approach, as well as working with the international financial institutions, the specialized agencies, and the major bilateral agencies.

261. The UNICEF Representative explained that agencies participating in the process were maintaining their profiles.

262. The Resident Coordinator underlined that the support of countries active in Viet Nam was needed, noting that 25 of the countries represented on the two Boards were present in the country. The capitals needed to support the

programme approach in order to avoid duplication of efforts and to ensure coordination and quality participation.

263. Following the presentation by the Viet Nam team and comments by delegations, the Executive Heads of UNDP, UNICEF and UNFPA made statements. All three underlined the importance of this first joint session of the two Executive Boards and of the progress made to date with UNDAF as exemplified by the United Nations team in Viet Nam.

264. The UNDP Administrator, who also is the Chair of UNDG, said that UNDAF, which is at the heart of the Secretary-General's reforms, is marked by a shift from information-sharing between funds and programmes to generalized, goal-oriented collaboration at country level. Without national support, however, UNDAF would not work, and it had to build on and reflect national development priorities. Key to the process was the ability of the resident coordinator system to draw on the mandates of all agencies; staff in a country must be responsible not just for their own agencies' work, but for that of the United Nations system as a whole in that country. At headquarters, UNDG had established a global support system with trained facilitators and global support personnel.

265. All specialized agencies had been invited to participate in UNDAF, and a review to be undertaken in Mali and Viet Nam would compare UNDAF with the World Bank's country assessment exercise. He thanked a number of Governments for their financial support to UNDAF, including those of Denmark, Sweden, Switzerland and the United Kingdom.

266. Responding to questions about what current programming arrangements could possibly be replaced by UNDAF, he suggested the UNDP advisory note, which was used as a basis for programme formulation with Governments. Full incorporation of global conference action points would be a hallmark of a successful UNDAF.

267. The Administrator outlined the activities of the United Nations development team over the past year. For example, both UNDG and the Executive Committee had been established and met monthly. UNDG had provided guidance to resident coordinators on the follow-up to international conferences. Both UNICEF and UNFPA had seconded staff to the United Nations Development Group Office (DGO), and the World Food Programme was expected to do so shortly. Finally, the Director of DGO and the inter-agency subgroup on common premises and services were responsible for accelerating progress in identifying 50 countries that could host a United Nations House.

268. He also described a number of steps that had been taken to strengthen the resident coordinator system, in consultation and collaboration with UNDG members. These included improved selection procedures; a new, competency-based assessment; and a separate performance evaluation of current resident coordinators, in which all UNDG members and specialized agencies were participating. General Assembly resolution 47/199 of 22 December 1992 had begun the process of going beyond UNDP for resident coordinators; in 1992, only one resident coordinator had come from outside UNDP, but 30 per cent of those recommended most recently were from other funds and programmes. He had instructed all resident coordinators to represent all United Nations specialized

agencies even-handedly, to keep their roles as UNDP resident representative and resident coordinator separate, and to resolve any conflicts between the two in favour of the system as a whole. In addition, extra resources would be made available for implementing new procedures for the annual reports of the resident coordinators.

269. The UNICEF Executive Director said that the joint session demonstrated that United Nations reform was real and that it was being mainstreamed. The presentation by the Viet Nam country team had shown the excellent quality of the staff working in all the funds and programmes in Viet Nam, and reflected honestly the strengths, potential and challenges of UNDAF. Field-level coordination had not begun with UNDAF, which was a work in progress, and there was always room for improvement. Resource implications - both human and financial - had to be considered. It was very early in the process, and while the UNDAF process had to move along, it was too soon for any evaluation. In developing UNDAF, it was important to ensure wide participation by the funds, programmes and agencies and by government partners.

270. Concerning coordination issues, she said that UNICEF was a member of both UNDG and the Executive Committee on Humanitarian Affairs. There had been a lot of progress in the last year. The challenges of coordination at headquarters were complex because of the different needs of the field-based agencies and the more centralized Secretariat departments. Two areas where that was evident were procurement and information technology. For example, the United Nations would most likely be best served through a common framework for procurement rather than a single service entity; that could result in significant savings in terms of efficiency. Many improvements in operations could be achieved with existing rules and regulations, not all of which needed to be changed.

271. The resident coordinator system was moving towards genuine, system-wide representation, and UNICEF would participate fully in the appraisal process, she said. One issue requiring further exploration was that of other agencies' representatives assuming the responsibilities of resident coordinator where it would remain a combined function.

272. In closing, she said that a thorough evaluation of UNDAF would be required to ensure that it provided "added value", although she was sure that would be the case.

273. The Deputy Executive Director (Policy and Administration), UNFPA, spoke on behalf of the UNFPA Executive Director, who was unable to attend the session. He expressed full support for the reform initiatives and said that while the UNDAF pilot phase was still ongoing, a number of points should be noted. Overall, the experience was relatively positive and there was government support. UNDAF was useful for team-building and for its participatory process, but the exercise was time-consuming and resource-intensive, which had implications for agencies with limited staff, including UNFPA. UNDAF would lead to stronger country programmes, and that would need to be reflected in internal staff performance appraisals. Finally, overall coordination processes had to be streamlined, so that each agency might have to examine its existing programme requirements and procedures. In this regard, the UNDAF exercise should take into account the data and other materials, including guidelines, prepared by the

ACC Task Force on Basic Social Services for All, chaired by the Executive Director, UNFPA.

274. For there to be successful implementation of UNDAF, there must be an understanding by the resident coordinator of his/her role, as well as the commitment of all participating organizations, a participatory approach and a response to countries' needs and priorities. It would mean maximizing the comparative advantage of the United Nations system, and respect for the mandate of each organization and for cross-cutting issues such as population and gender. There must be ownership of the process by the country team; involvement of the national authorities, including NGOs; and wide international participation, including that of United Nations specialized agencies and international financial institutions. The process must also pay attention to issues of international coordination for follow-up to international conferences.

275. UNFPA was an active member of UNDG and had seconded senior staff to DGO, he said. UNFPA supported the resident coordinators as representatives of the Secretary-General, and the resident coordinators must be strong and impartial advocates of all agencies.

276. One delegation, speaking on behalf of a group of countries, said that the establishment of UNDG was obviously intended to maintain and reinforce the distinctive identities of the participating agencies, while encouraging coordination and integration at headquarters and in the field. However, the members of the group, as the main recipients of development cooperation, were primarily concerned with the quality, efficiency and volume of assistance rather than with institutional arrangements. Simplicity of programme delivery was important, but they did not see any merit in pursuing integration as an end in itself. As for UNDAF, it might be premature to assess its successes and failures. In drawing on the lessons of the pilot projects, it would be important to take into account the views of the recipient Governments. In discussing the reform proposals, the group of countries had earlier addressed the question of counterpart arrangement of UNDAF at the country level and the mechanism for the presentation of credentials of the resident coordinator to the host Government. Therefore, the implementation of the reform should take into account the specific needs of each region and country. Finally, the Secretary-General had been requested to propose a new system of core resources, and any proposal in that regard should not increase or add any new burden to the developing countries, nor incur conditionality.

277. Delegations commented on the UNDAF process, with one suggesting that UNDAF was not an end in itself, but should be in line with the agencies' management improvement exercises and avoid duplication and overlap. Addressing the issue of costs, a speaker said that the purpose of the pilot phase was to identify best practices; with higher cost-efficiency as an objective, the initial investment might pay off.

278. Some speakers welcomed the work towards collaborative programmes and greater coordination, but questions were raised about the relationship between the different instruments of field-level coordination - the country strategy note, UNDAF and the strategic framework - and about the role UNDG could play in harmonizing these field-level mechanisms. One delegation said that UNDAF was

already changing the programming process in the field and that the field should push headquarters in this regard. A speaker asked about the relationship between the Joint Consultative Group on Policy and CCPOQ, and about the type of cooperation being undertaken with the World Bank. Another speaker cited such challenges as the difficulty of reconciling programme objectives; the lack of indicators for all priorities; different guidance from headquarters from each agency; and the weak interest of the Bretton Woods institutions. A delegation stressed the importance of including the specialized agencies and bilateral donors. Another delegation said that Viet Nam was an ideal case for UNDAF, but other countries were less ideal, and there was a need for flexibility in the field.

279. It was said that according to the provisional guidelines, only the United Nations country team would approve UNDAF, but the Government also should approve any assistance framework. It was asked if there would be a need for a special cooperation agreement with Governments, and what would be the terms of reference and responsibility of Governments in the UNDAF process. The references in the guidelines to consultation with NGOs and donors required elaboration, and the wording on common services and the division of labour between agencies was open to interpretation, according to some. (It was asked to what extent UNDAF could be linked to the common services exercise, and if there should be contemplation of administrative integration at the headquarters level.)

280. A number of speakers addressed the role of the Executive Boards and/or the issue of future joint sessions. One speaker said that UNDAF required the exchange of information between the Executive Boards, including the possible harmonization of their programmes of work. He suggested that UNDAF and the pilot projects be discussed at a special inter-sessional meeting of the Executive Boards. Another delegation said that the choice of UNDAF for that session was logical although other topics would also be appropriate. It was asked if from now on, there would be regular joint briefings on the state of UNDAF.

281. The representative of UNAIDS said that hers was unique among the "theme group" agencies because it was able to provide some catalytic resources and had learned a lot in the process. This had been the case in Viet Nam. There must be consistency between the positions of headquarters and the field, and there was a need for some shared resources to move the process from dialogue to programming.

282. In summing up, the resident coordinator in Viet Nam said that UNDAF should be country- and field-driven. It was too early for evaluations, and the country teams would advise when they were ready. His team was happy to work with other country teams and would do so once its first document had been produced. UNDAF would be open to Governments, donors, NGOs and civil society, or it would not exist. It must be actively open to bilateral agencies. The guidelines were not yet final, and teams would continue to communicate their views to headquarters. It must be an open process.

283. The President of the UNICEF Executive Board said that the session had provided much food for thought for both Executive Boards and for the Economic and Social Council.

98/4. Overview of decisions adopted by the Executive Board at its first regular session 1998

The Executive Board

Recalls that during the first regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Elected the following Bureau for 1998:

President	H.E. Mr. Jacob Botwe Wilmot (Ghana)
Vice-President	Dr. Atul Khare (India)
Vice-President	Mr. Volodymyr Reshetnyak (Ukraine)
Vice-President	H.E. Dr. John W. Ashe (Antigua and Barbuda)
Vice-President	Mr. Alan March (Australia)

Approved the agenda and work plan for its first regular session 1998 (DP/1998/L.1) as orally amended;

Approved the report of the third regular session 1997 (DP/1998/1);

Approved the annual work plan 1998 for UNDP/UNFPA Executive Board as orally amended and annexed to the present decision;

Agreed to the following schedule of future sessions of the Executive Board in 1998 subject to the approval of the Committee on Conferences:

Second regular session 1998:	20-24 April 1998
Annual session 1998:	8-19 June 1998 (Geneva)
Third regular session 1998:	14-18 September 1998

Agreed to the following tentative schedule of future sessions of the Executive Board in 1999:

First regular session 1999:	11-15 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1999:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

Agreed to the subjects to be discussed at the second regular session 1998 of the Board, as listed in the annexed work plan;

UNDP/UNFPA SEGMENT

ITEM 2: RECOMMENDATIONS OF THE BOARD OF AUDITORS

Took note of the UNDP report on follow-up to recommendations of the report of the Board of Auditors for the biennium 1994-1995 (DP/1998/4);

Took note of the UNFPA report on follow-up of the report of the Board of Auditors for 1994-1995: status of implementation of recommendations (DP/FPA/1998/1);

UNFPA SEGMENT

ITEM 3: UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the following country and subregional programmes:

Paraguay (DP/FPA/CP/195);

China (DP/FPA/CP/196);

Nicaragua (DP/FPA/CP/197);

Egypt (DP/FPA/CP/198);

Algeria (DP/FPA/CP/199);

Pacific subregion (DP/FPA/CP/200);

Requested the Executive Director to report regularly to the Executive Board on the implementation of significant elements of the above programmes, including progress in meeting the principles and goals of the Programme of Action of the International Conference on Population and Development;

UNDP SEGMENT

ITEM 4: UNDP 2001

Took note of the oral report of the Administrator on the implementation of change management;

Adopted decision 98/1 of 23 January 1998 on narrowing the focus of United Nations Development Programme interventions;

ITEM 5: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Approved the implementation strategy for the first regional cooperation framework for Africa (1997-2001) (DP/1998/6);

Approved the implementation strategy for the first regional cooperation framework for the Arab States (1997-2001) (DP/1998/7 and Corr.1);

Approved the implementation strategy for the first regional cooperation framework for Asia and the Pacific (1997-2001) (DP/1998/8);

Approved the implementation strategy for the first regional cooperation framework for Europe and the Commonwealth of Independent States (1997-1999) (DP/1998/9);

Approved the implementation strategy for the first regional cooperation framework for Latin America and the Caribbean (1997-1999) (DP/1998/10);

Approved the following country cooperation frameworks and country programme extension:

I

First country cooperation framework for Cape Verde (DP/CCF/CVI/1);

First country cooperation framework for Ghana (DP/CCF/GHA/1);

First country cooperation framework for Mozambique (DP/CCF/MOZ/1);

Second extension of the sixth country programme for Kenya (DP/CP/KEN/6/EXTENSION II);

II

First country cooperation framework for Algeria (DP/CCF/ALG/1);

First country cooperation framework for the Libyan Arab Jamahiriya (DP/CCF/LIB/1);

III

First country cooperation framework for the Cook Islands (DP/CCF/CKI/1);

First country cooperation framework for the Republic of Korea (DP/CCF/ROK/1);

First country cooperation framework for Tokelau (DP/CCF/TOK/1);

IV

First country cooperation framework for Guatemala (DP/CCF/GUA/1);

First country cooperation framework for Nicaragua (DP/CCF/NIC/1);

Took note of the report of the Administrator on UNDP assistance to Myanmar contained in document DP/1998/11 and decided to consider, at its annual session

1998, a proposal for future UNDP assistance to Myanmar in conformity with Governing Council decision 93/21 and Executive Board decision 96/1;

ITEM 6: UNDP: RESOURCE MOBILIZATION

Adopted decision 98/2 of 23 January 1998 on the review of policy implications of change and non-core funding;

Adopted decision 98/3 of 23 January 1998 on funding strategy for the United Nations Development Programme;

Decided to postpone consideration of the report on the review of the round-table process (DP/1998/CRP.2) to its annual session 1998;

ITEM 7: OTHER MATTERS

Endorsed the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries (DP/1998/CRP.4);

Took note of the report on UNDP follow-up to World Trade Organization initiatives for least developed countries (DP/1998/CRP.5);

Took note of the oral report on the results of the first session of the Conference of Parties of the Convention to Combat Desertification;

Took note of the oral report on the outcome of the ad hoc thematic meeting of the Joint United Nations Programme on HIV/AIDS Coordinating Board held in Nairobi from 16 to 18 November 1997;

Took note of the oral report by the Associate Administrator on the utilization of resources for target for resource assignment from the core (TRAC) line 1.1.3.

23 January 1998

Annex

DRAFT WORK PLAN FOR THE EXECUTIVE BOARD IN 1998

INTRODUCTION

1. In its decision 96/25, the Executive Board decided, inter alia, to introduce an annual work plan for the Executive Board. The present document contains a list of priority issues for UNDP and UNFPA for 1998, and proposes a draft work plan for the Executive Board, taking into account these priority issues as well as the legislation and guidelines established by the Executive Board and discussions held at the third regular session 1997 of the Executive Board.

UNDP

2. For UNDP, the biennium 1998-1999 will be one of implementation and consolidation of legislation adopted and initiatives taken during the current biennium. Priority will be given to implementation of the change management process and the new programming framework, as well as to the mobilization of support and resources for poverty eradication programmes. Within the change management process, the focus will be on three major areas: enhanced country focus; effectiveness and impact; and efficiency, accountability and good management.

3. As decided by the Executive Board in 1996, the reports on special funds managed by UNDP are considered on a rotational basis. In 1998, it is proposed that the Board review the report on the United Nations Volunteers.

UNFPA

4. UNFPA priorities for 1998 are fivefold: (a) to increase the Fund's resource base on a more predictable, assured and continuous basis; (b) to continue to evaluate and to increase the effectiveness of programmes throughout the world; (c) to continue to implement new programme priorities and the new approach for resource allocation as contained in Executive Board decisions 95/15 and 96/15, respectively; (d) to improve the manner in which the Fund's programmes address absorptive capacity and resource utilization in programme countries; and (e) to collaborate in the implementation of United Nations system-wide reform efforts. UNFPA will also collaborate with other relevant bodies in preparing for the ICPD + 5 initiatives scheduled for 1999.

UNDP PRIORITY ISSUES FOR 1998

ISSUE	FOLLOW-UP	REPORT TYPE	SESSION
A. Implementation of UNDP 2001	UNDP 2001: Progress report and strategy for implementing next steps, ensuring synergy with the United Nations reforms (97/15 para 21)	Oral	First and annual
	Analysis of the introduction of subregional resource facilities (97/15 para 16)	Official	Annual
B. Implementation of the new programming framework	Implementation strategy for each regional cooperation framework, including performance measurement methodology and timetable for mid-term appraisal	Official	First
	Review of implementation of the programming cycle	Official	Third
	Analysis of results in accelerating programme delivery and strategic options for the future	Official	Third
C. Ensuring programme quality	Strategy for narrowing UNDP priority areas of focus, building on the September 1997 workshop	Official	First
D. Funding strategies and outreach	Strategy for increasing UNDP core resources and creating a more sustainable funding base	CRP	First
	Assessment of lessons learned in mobilizing core as well as non-core resources and strategic options for the future	Official	First
	Options for improving the UNDP communication and information policy as a tool for mobilizing resources and increasing public awareness of UNDP value-added and impact	Official	Annual

UNFPA PRIORITY ISSUES FOR 1998

ISSUE	FOLLOW-UP	REPORT TYPE	SESSION
A. Increase resource base	Further develop resource strategy Explore innovative funding mechanisms Explore ways to ensure stable, predictable income	Official a/	Annual
B. Operationalization of core programme areas	Focus on adolescent reproductive health	Official a/	Annual
	Implement information strategy and advocacy activities	Oral	Annual
	Translate into specific activities at country level	Official b/	Second and third
	Promote involvement of national non-governmental organizations	Official a/	Annual
	Conduct thematic and programme evaluations	Official	Annual
C. Implementation of resource allocation approach	Country programming process	Official b/	Second, third and annual
D. Strengthening of internal oversight, audit and accountability	Increase number and quality of management audits and policy application reviews	Official a/	Annual
E. Preparations for ICPD + 5	Status report on preparations	Oral c/	Second and annual
F. Study of absorptive capacity and resource utilization in programme countries	Recommendations on concrete operational measures	Official	Annual

a/ Reported on in the context of the annual report.
b/ Reflected in country programmes and in the annual report.
c/ May be taken up at the second regular session and/or annual session.

EXECUTIVE BOARD OF UNDP/UNFPA
TENTATIVE AGENDA FOR 1998

Table 1. First regular session 1998 (19-23 January 1998
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
			½ day	Election of the Bureau
	Official (DP/1998/L.1)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the third regular session 1997
	Official	I		Decisions adopted by the Executive Board in 1997
	CRP[a]	A		Annual work plan 1998 for UNDP/UNFPA Executive Board (96/25)
2				UNFPA/UNDP SEGMENT
	Official	A/I		Updated overview of implementation of recommendations of the Board of Auditors (97/2 and 97/3
				UNFPA SEGMENT
3	Official	A	½ day	UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS
				UNDP SEGMENT
4				UNDP 2001:
	Oral	I	½ day	Follow-up to decision 97/15 - Progress report
	Official	A		Narrowing the focus (97/15)

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[a] An official report will be prepared in-session on the basis of the conference room paper.

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
5				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1 day	Implementation strategy papers for regional cooperation frameworks (97/9)
				Country cooperation frameworks
				Assistance to Myanmar (96/1)
6				RESOURCE MOBILIZATION
	CRP	A/I	½ days	UNDP resources and funding strategy options: "Towards a sustainable funding strategy for UNDP"
	CRP	I		Review of round-table process
	Official	A		Review of modalities of non-core resources (96/44) including follow-up to 97/15 para. 23
7			½ day	OTHER MATTERS
				UNDP/UNFPA/UNICEF JOINT SESSION
	Oral	I	½ day	Exchange of views on the impact of overall United Nations reform on the funds and programmes

Abbreviations: A = action; CRP = conference room paper; and I = information.

Table 2. Second regular session 1998 (20-24 April 1998)
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.2)	A	½ day	Provisional agenda, annotations, list of documents
	Official	A		Report on the first regular session 1998
				Decisions adopted by the Executive Board at its first regular session 1998
				UNDP/UNFPA SEGMENT
2	Official	A	½ day	REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL
				UNDP SEGMENT
3	Official	A	1 day	Country cooperation frameworks and related matters
				UNFPA SEGMENT
4	Official	A	1½ days	Country programmes and related matters
5				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Oral	I	¼ day	Criteria and mechanisms for budget adjustments in the event of any significant shortfall in income (97/26)
6				TECHNICAL SUPPORT SERVICES
	Oral	I	½ day	Review of "Report on an assessment of the TSS specialist posts at headquarters and regional levels" (97/27)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
7				STAFF TRAINING ACTIVITIES
	Oral	I	¼ day	Status report on the implementation of evaluation recommendations (97/29)
8				RESOURCE MOBILIZATION
	Official	A	½ day	Consequences of resource shortfalls in achieving ICPD goals (97/29)
9				OTHER MATTERS including:
	Oral	I	¼ day	Update on Coordinating Committee on Health Progress report on change management

Abbreviations: A = action; CRP = conference room paper; and I = information.

Table 3. Annual session 1998 (8-19 June 1998)
(10 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.3)	A	1½ days	Provisional agenda, annotations, list of documents/work plan
	Official	A		Report on the second regular session 1998
				Decisions adopted by the Executive Board at its second regular session 1998
				UNFPA SEGMENT
2	Official	I		REPORT OF THE EXECUTIVE DIRECTOR FOR 1997
				Introduction by the Executive Director
				Programme priorities and implementation
				Resource mobilization
				Global Contraceptive Commodity Programme/Global Initiative on Contraceptive Requirements
				Regional overview
				Statistical annex
3	Official	A	½ day	ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION (96/27)
4	Official	A	½ day	WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY
5	Official	I	½ day	PERIODIC REPORT ON EVALUATION

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
6			½ day	INFORMATION AND COMMUNICATION STRATEGY
	Oral	I		Implementation of decision 97/13
7	Oral	I		REPORT ON STATUS OF THE COORDINATING COMMITTEE ON HEALTH
				UNDP SEGMENT
8			2 days	ANNUAL REPORT OF THE ADMINISTRATOR
	Official	A		Introduction by the Administrator
	Official	A		Main programme record, including reporting on special funds
	Official	I		Assistance to the Palestinian people
	Official	I		The United Nations New Agenda for Development in Africa and the Special Initiative for Africa
	Official	I		Reports of the Joint Inspection Unit
	Official	I		Statistical annex
9	CRP	I	½ day	UNDP 2001: Follow up to decision 97/15 para 16 (Interim report on SURFs)
10	Official	I		Follow-up to the United Nations Reform including transfer to the United Nations Development Programme of the responsibilities of the Emergency Relief Coordinator for natural disaster mitigation, prevention and preparedness

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
11	Official	I	½ day	EVALUATION
12	Official	I/A	½ day	UNITED NATIONS VOLUNTEERS
13			½ day	RESOURCE MOBILIZATION (including review of round-table process)
14	Official		½ day	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS (including Assistance to Myanmar)
15			½ day	COMMUNICATION AND INFORMATION POLICY
	Official	I		Follow up to decision 97/17 (para 10)
16				UNITED NATIONS OFFICE FOR PROJECT SERVICES
	Official	A	½ day	Report on the United Nations Office for Project Services (96/33)
	Official			Report on follow-up on recommendations of the Board of Auditors on UNOPS (97/23)
				UNDP/UNFPA SEGMENT
17	Oral	I	½ day	Reports on internal oversight
18			½ day	OTHER MATTERS including: - Briefing on UNAIDS
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* **NOTE:** A Special Event on 1998 State of World Population report will be organized by UNFPA for half a day.

Abbreviations: A = action; CRP = conference room paper; I = information; and ICPD = International Conference on Population and Development.

Table 4. Third regular session 1998 (14-18 September 1998)
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.4)	A	½ day	Provisional agenda, annotations, list of documents
	Official	A		Report on the annual session 1998
	CRP	I		Decisions adopted by the Executive Board at the annual session 1998
				Outline for Executive Board work plan 1999
				UNDP SEGMENT
2				UNDP 2001 : Progress report
3				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I/A	1 day	Report on the implementation of the budget for biennium 1998-1999 (97/24)
	Official	I		Annual review of the financial situation 1997
		I		Activities of the Inter-Agency Procurement Services Office
				Subcontracts awarded and major equipment ordered
				Review and revision of UNDP Financial Regulations and Rules

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1 day	Review of implementation of the new programming cycle
	Oral	I		Report on implementation of the first country cooperation framework for Nigeria (97/25)
	Official			Country cooperation frameworks
5				UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A	½ day	Revised budget estimates for the biennium 1996-1997
	Official	I		Audit reports
6	Oral			UNIFEM (97/18)
7			½ day	RESOURCE MOBILIZATION
				UNFPA SEGMENT
8				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	1 day	Annual financial review, 1997
	Official	I		Status of financial implementation of country programmes
	Official	I		Multi-bilateral and trust fund arrangements (97/26)
	Official	I		Progress in implementing the support budget for 1998-1999 (97/26)
9				SOUTH-SOUTH COOPERATION
	Official	A		"Partners in Population and Development " (96/9)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
10	Official	A	½ day	COUNTRY PROGRAMMES AND RELATED MATTERS
11				OTHER MATTERS including:
				- Field visits
	Oral	I		- Status report on the Coordinating Committee on Health

Abbreviations: A = action; CRP = conference room paper; I = information; and UNOPS = United Nations Office for Project Services.

Part two

SECOND REGULAR SESSION

Held at United Nations Headquarters from
20 to 24 April 1998

I. ORGANIZATIONAL MATTERS

1. The President opened the session, noting that the Bureau of the Board had met three times, on 4 February, 16 March and 20 April. At those meetings, the Bureau had reviewed the outcome of the first regular session 1998 and the agenda for the current session, including agreement to hold an informal joint meeting of the Executive Boards of UNDP, UNFPA and UNICEF.

Progress report on the Open-Ended Ad Hoc Working Group on a UNDP funding strategy

2. The President informed the Board that in accordance with Executive Board decision 98/3, adopted by the Board at its first regular session 1998, the Open-Ended Ad Hoc Working Group on a UNDP funding strategy had been convened in order to develop a sustainable funding strategy for UNDP.

3. The Working Group had held five meetings. During the first meeting, the Working Group agreed upon a number of substantive issues that should be discussed during approximately 12 meetings scheduled through September 1998. The Chairman of the Working Group, Mr. Alan March, Vice-President of the Executive Board, had offered to prepare an aide-mémoire containing summaries of the main conclusions of each meeting. In order to facilitate the deliberations of the Working Group during its discussions of the several substantive issues, it was agreed that the Executive Board secretariat would prepare the required substantive inputs prior to each meeting.

4. During the second meeting, the Working Group discussed issues pertaining to paragraph 10 (b) of decision 98/3. In particular, the goals and priorities of UNDP, as specified in decisions 94/14, 95/23 and 98/1 were covered in the form of a matrix presented by the secretariat.

5. On the basis of statistical information from the secretariat, the Working Group discussed the funding situation of UNDP with a special focus on core and non-core contributions from 1986 to 1997 as well as an estimate of 1998 contributions. During that meeting, a note was presented outlining key UNDP, Economic and Social Council, and General Assembly documentation concerning funding strategies and development financing as well as a comprehensive reading list on selected background studies and reports on development financing.

6. The third and fourth meetings were devoted to guest presentations, with Ms. Inge Kaul, Director of the Office of Development Studies, and Ms. Vera P. Weill-Halle, representative of the International Fund for Agricultural Development in Washington, respectively.

7. At its fifth meeting, the Working Group discussed the draft conference paper (DP/1998/CRP.6) concerning a three-year financial forecast outlining the financial commitments of 31 December 1997. A useful and interesting debate on development needs and priorities had also been held, based on background documentation from the secretariat addressing paragraph 10 (b), items one, two and five of decision 98/3.

8. The Working Group had been progressing well, with a frank and constructive exchange of views. The strong commitment to the process shown by all participants would hopefully lead to a clear, successful conclusion once the Working Group prepared its report for the third regular session 1998. The President noted that he would report again on the progress of the Working Group at the annual session 1998.

Adoption of the agenda and agreement on the work plan

9. The Secretary of the Executive Board informed the Board that a revised version of the work plan (DP/1998/L.2) had been distributed. She noted that reference to the UNDP extension for Haiti should be added to the French version of document DP/1998/L.2. The summary of the discussion on the reports to the Economic and Social Council (item 2 of the agenda) would be prepared for the Board's approval during the session in order to ensure timely transmittal to the Council. The Secretary noted that the UNDP country cooperation frameworks and UNFPA country programmes presented at the current session would be adopted without introductions or discussion with the exception of those that had been requested by delegations for discussion. Three country cooperation frameworks and country programmes had been requested for discussion within the joint UNDP/UNFPA segment: those of Bolivia, Mali and Rwanda.

10. The Executive Board approved the following agenda for the session and the work plan (as contained in DP/1998/L.2 and Corr.1 (French only)), as orally amended:

Item 1:	Organizational matters
	UNDP/UNFPA SEGMENT
Item 2:	Reports to the Economic and Social Council
Items 3 & 4:	Country cooperation frameworks and related matters
	UNDP SEGMENT
Item 3:	Country cooperation frameworks and related matters
	UNFPA SEGMENT
Item 4:	UNFPA: country programmes and related matters
Item 5:	Financial, budgetary and administrative matters
Item 6:	Technical support services
Item 7:	Staff training activities
Item 8:	Resource mobilization
Item 9:	Other matters

Report on the first regular session 1998 (DP/1998/12 and Corr.1)

11. The Executive Board approved the report on the first regular session 1998 (DP/1998/12 and Corr.1).

Administrator's statement

12. The Administrator delivered an update on events of importance to UNDP since the first regular session 1998. He noted the progress achieved in the Ad Hoc Open-Ended Working Group on a Funding Strategy for UNDP and expressed his gratitude for the active participation of the Executive Board members.

13. As Chairman of the Secretary-General's Great Lakes Task Force on Relief, Reconstruction and Development, the Administrator had visited Burundi, the Democratic Republic of the Congo and Rwanda. He would return to the region in May 1998 for additional country visits and to attend a conference in the Democratic Republic of the Congo. The Administrator informed the Executive Board that the purpose of his visit had been to listen to the leaders of the region, to see how the United Nations could be most effective, to understand how leaders intended to address national as well as regional issues and to assess action that the United Nations could undertake in different capacities in the region to support their efforts. During his discussions, he had stressed the need to forge a genuine United Nations system-wide partnership with the leaders of the Great Lakes region, which was at a critical turning point in its socio-political, economic and historical development.

14. With regard to the Asian economic crisis, the Administrator cited the steps taken by UNDP to respond to the situation at the country level, particularly in Indonesia and Thailand. Country actions had been strengthened by the UNDP regional strategy that focused on policy analysis, national dialogue sessions, through the resident coordinator system, and through south-south cooperation within the region.

15. The Administrator also apprised the Executive Board of progress in the United Nations Development Group on United Nations reform and provided updates on the Global Environment Facility, UNDP relations with the European Commission, donor visits, the Administrative Committee on Coordination and the High-Level Meeting of the Development Assistance Committee of the Organisation for Economic Cooperation and Development. He also made brief remarks concerning UNDP collaboration with civil society organizations (CSOs), including that UNDP had taken first steps to establishing a committee on CSO/non-governmental organizations (NGOs).

16. One delegation queried how the regional strategy for Asia and the Pacific would contribute to easing the effects of the Asian economic crisis on programme countries in the region. The speaker also requested information on the number of female resident coordinators and the number of United Nations Houses that were currently operational.

17. Other speakers raised queries on the relationship between the United Nations Development Assistance Framework and the Special Initiative on Africa and on the measures utilized by UNDP to establish partnerships with NGOs.

18. The representative of Rwanda expressed appreciation to the Administrator for his recent visit to his country. Priorities had been identified and discussed at all levels of the Government.

19. The Administrator responded that the issues relating to the Asian economic crisis would be covered further in the informal discussion during the session. Further information would be made available during the session with regard to the other queries raised. In relation to the linkage between the Special Initiative on Africa and the United Nations Development Assistance Framework (UNDAF) process, he noted that while specialized agencies were not formally part of the process, they would participate in the pilot exercise. With regard to the participation of NGOs with UNDP, the Administrator noted that they were analysed according to their competency, resources and accountability for actions.

Executive Director's statement

20. In her opening statement, the Executive Director welcomed the opportunity to update the Executive Board on important developments that had taken place since the first regular session 1998. She highlighted the main activities of the ICPD+5 process and noted that UNFPA had prepared a conference room paper entitled "ICPD+5: Plans for the Five-year Review of the Implementation of the International Conference on Population and Development (1994)" (DP/FPA/1998/CRP.1). She also informed the Executive Board that the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH) would take place on 3-4 July 1998, in Geneva.

21. On the important issue of resources, the Executive Director stated that the resource picture was now much more optimistic than it had been when the issue was last discussed in September 1997. She thanked the major donors for their contributions and observed that several had increased their contributions. She highlighted four primary objectives of the Fund's own resource strategy as outlined in the conference room paper before the Board at that session: (a) to ensure predictable, adequate and stable growth in core resources; (b) to supplement core resources with non-core resources; (c) to expand the Fund's donor base; and (d) to increase the amount of resources currently provided by programme countries.

22. While noting that resources were the key to programme delivery and to maintaining a critical mass and stability in staff capacity, the Executive Director stated that such capacity, both in terms of the field network and headquarters support, was vital for the Fund to be able to carry out its mandated activities. In that regard, given the current strong resource situation of the Fund, the Executive Director sought the endorsement of the Executive Board for the recruitment of country representatives for seven posts that had already been approved by the Board in decision 97/26. The endorsement included the transfer of one post from headquarters to the field. While noting the need for caution and prudence in budgetary matters, she emphasized that the presence of a UNFPA country representative was crucial for successful programme implementation and decisive in improving programme delivery levels, especially in the least developed countries. She affirmed that UNFPA would continue to

deliver effective and efficient programmes while containing administrative and programme support costs.

23. Following the opening statement of the Executive Director, one delegation welcomed the update on the WHO/UNICEF/UNFPA Coordinating Committee on Health and noted that it was looking forward to the discussion on resource mobilization. Another delegation thanked the Executive Director for her comprehensive statement and welcomed the focus on resources. While expressing appreciation for the conference room paper on the plans for ICPD+5, the delegation asked how information on the outcomes of the various round tables would be disseminated.

24. A representative of the UNFPA NGO Advisory Committee made an intervention concerning the role of NGOs in the ICPD+5 review exercise. She stated that, given the ICPD commitment to gender equality and women's empowerment, attention should be focused on addressing issues of gender inequity in the area of sexual and reproductive health and rights. She observed that spending in that field should be counted as part of the spending on implementation of the ICPD Programme of Action. She added that at both national and international levels, evidence showed that where women's organizations had played a partnership role, interesting results had materialized even when investments had been relatively modest. She stated that increased funding, at national and international levels, should be provided for programmes that empower women, enshrine their human rights and provide quality reproductive health-care services for all. The representative commended UNFPA for the way in which it had involved NGOs and civil society in the Fund's Programme Review and Strategy Development (PRSD) process. She noted that the Fund should continue to support NGO involvement in the ICPD+5 process by including NGOs in the ICPD+5 round tables and technical meetings. She concluded by noting that the NGO Health, Empowerment, Rights and Accountability (HERA) steering committee would convene an international conference in November 1998, in Mexico City, to provide ideas and political momentum for ICPD+5 activities.

25. In her response, the Executive Director noted that the provisional agenda had been agreed to for the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health. With regard to the ICPD+5 round tables, she stated that information on the outcomes would be widely disseminated to the members of the Executive Board, Governments and NGOs, and would be made available to the public at large through the UNFPA website on the Internet. She affirmed that the Fund had been in consultation with NGOs on the ICPD+5 review and that NGOs were participating in all the round tables. The round table scheduled to be held in Dhaka, Bangladesh, in July 1998, would focus on the partnership with civil society in the implementation of the ICPD Programme of Action. She added that since ICPD, the Fund's collaboration with NGOs had increased, specially at the national level. Also, overall, women were participating much more actively in promoting the ICPD Programme of Action, and UNFPA had supported many such activities, including in the area of advocacy. The Executive Director noted that a two-day NGO Forum would precede the International Forum to be held in the Netherlands, from 8-12 February 1999.

Report on the second regular session 1998

26. The Executive Board approved that part of the report on the second regular session (contained in documents DP/1998/L.15 and DP/1998/L.16) concerning the reports to the Economic and Social Council (DP/1998/14 and Corr.1 and DP/FPA/1998/2 and Corr.1 (French only)).

Future sessions

27. The Secretary informed the Executive Board that advance copies of the documentation for the annual session 1998 would be available on the UNDP homepage via Internet. The work plan would be revised and distributed at the pre-session informal to be held on 26 May 1998. She noted that the first regular session 1999 had been rescheduled to 25-29 January 1999.

28. The Executive Board agreed to the following schedule of future sessions of the Executive Board in 1998 and 1999 subject to the approval of the Committee on Conferences:

Annual session 1998: 8-19 June 1998 (Geneva)

Third regular session 1998: 14-18 September 1998

First regular session 1999: 25-29 January 1999

Second regular session 1999: 5-9 April 1999

Annual session 1999: 14-25 June 1999 (New York)

Third regular session 1999: 13-17 September 1999

29. The Executive Board agreed to the subjects to be discussed at the annual session 1998 of the Board, as listed in the work plan 1998 and revised on the basis of the decisions taken by the Board at its first two regular sessions.

Joint segment

II. REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

A. UNDP

UNDP report

30. The Administrator introduced the report to the Economic and Social Council for UNDP (DP/1998/14 and Corr.1). He noted that it was prepared in a common format, jointly agreed upon by UNDP, UNFPA, the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP). The report came at a particularly important time as 1998 would be a determining year with regard to the functioning of UNDP as well as to the nature and level of operational activities for development of the United Nations system as a whole. The triennial comprehensive policy review was under preparation, an exercise that would lead

to Economic and Social Council and General Assembly resolutions evaluating the performance of UNDP and setting the strategy for United Nations development operations in the years to come. The report also highlighted the challenges UNDP, as all other development organizations, must face as it pursued its broad mandate in poverty eradication at a time when multilateral resources for development were declining.

31. He noted that the length of the report was constrained by Executive Board requirements and also that detailed information on the subjects covered in the report would be available in the annual report of the Administrator, to be submitted at the annual session 1998.

32. The triennial comprehensive policy review was currently in a state of advanced preparation and represented an opportunity to assess in detail many of the issues arising from operational activities that had been informally raised by Member States, including at the Economic and Social Council. UNDP had responded in detail to the questionnaires of the review and was collaborating with the United Nations Department of Economic and Social Affairs in the preparation of the report to the Council and to the General Assembly. The Administrator emphasized that the starting point for the review should be the Secretary-General's reform programme as endorsed by the General Assembly in its resolution 52/12 A and B.

33. The Administrator gave an overview of three areas for discussion in connection with the report to the Economic and Social Council: the United Nations presence at the country level; the United Nations Development Assistance Framework; and funding issues.

34. The Secretary-General's reform had been instrumental in strengthening the United Nations presence at the country level through the resident coordinator system pursuant to General Assembly resolutions 48/209, 47/199 and 50/120. Discussions among the United Nations Development Group (UNDG) members and its Executive Committee were proceeding with regard to strengthening the resident coordinator system. As manager and funder of the resident coordinator system, and in view of the legislated link between the UNDP Resident Representative and the Resident Coordinator, as reaffirmed by the Secretary-General, UNDP was pursuing, with other programmes and funds, policies and concrete measures to strengthen the overall resident coordinator system. Measures in that respect included: widening the pool of qualified candidates (in the preceding year 11 out of 35 persons selected as resident coordinators had come from organizations other than UNDP); more specific competency assessments and appraisal methodologies; and comprehensive strategies to expand common premises and services.

35. UNDP had embarked, with the other UNDG members, on 18 pilot United Nations Development Assistance Frameworks (UNDAFs). The first joint meeting of the Executive Boards of UNDP/UNFPA and UNICEF had been held in January 1998 to look at the pilot UNDAF experience of Viet Nam. An informal joint meeting to follow up on the January meeting would be held during the present session of the Board. One issue that had arisen at the first regular session was the need for more work in streamlining programming instruments of various funds and programmes, with the overall aim of beginning the UNDAF at the start of a common programming

cycle. Greater streamlining in the process was needed. UNDP believed that national ownership was essential to ensure conformity with the priorities of programme countries in which all United Nations system activities were anchored. A review of the UNDAF pilot process would commence in July 1998.

36. While the issue of funding was not discussed in detail in the report to the Economic and Social Council, the important process under the leadership of the Executive Board should be noted. The Open-Ended Ad Hoc Working Group was a very important mechanism in forging and intensifying the partnership with traditional and emerging donors, programme countries, the Secretariat and the Executive Board.

37. The Administrator noted that UNDP had continued to collaborate closely with the Joint United Nations Programme on HIV/AIDS and at the country level, the capacity of the resident coordinator system was strengthened to support an expanded response to the epidemic. Increased funding and further mainstreaming was needed for enhanced normative and operational activities relating to HIV/AIDS.

38. On the follow-up to global conferences, in response to Economic and Social Council resolution 1997/6, the Administrator pointed out that the inter-agency task forces created by the Administrative Committee on Coordination had served to encourage inter-agency teams at the country level, working under the leadership of the Resident Coordinator. As the task forces had been replaced by less formal networking arrangements, the UNDAF was essential to retaining their momentum. The global conferences had produced a profound effect on UNDP, including making poverty eradication the overriding objective of UNDP work. The fusion of normative arrangements at the global level had played a role in guiding the country cooperation frameworks (CCFs) as well as the UNDAF pilot exercises.

Discussion

39. Many delegations took the floor to comment on the report. They thanked the Administrator for his opening remarks, which provided analysis and information additional to the report. Most speakers encouraged UNDP to include more analysis, including charts and figures, and less description in future reports to the Economic and Social Council. The report should highlight the major points on which the Council could provide advice as well as identify problems. One delegation emphasized that the reports should help to enable progress in poverty eradication efforts in programme countries. Another delegation, supported by many others, requested that UNDP, UNFPA and UNICEF prepare a consolidated list of actions on which the Council could provide advice to the funds and programmes for submission to the Council's 1998 substantive session. WFP could also be included in the exercise.

40. Several speakers welcomed the inclusion of information on the work of UNDG and on UNDAF in the report and Administrator's statement. The need to increase coordination, avoid overlap and ensure cost-effectiveness was emphasized. Further information on the differentiation among the programming instruments of the UNDAF, the country strategy note and the CCF was requested. United Nations specialized agencies must participate in the UNDAF process, according to many

delegations. One delegation requested further information on the legal framework for the UNDG at the country level. Another underlined that the UNDAF should be under the leadership of the programme country and reflect ownership by that country. Information on how the sustainable human development mandate of UNDP fitted in with the mandates of UNFPA and UNICEF in the UNDAF process was requested. One delegation requested more information on the delays in implementing common services at the country level.

41. Measures taken to strengthen the resident coordinator system were welcomed. Those measures included the expansion of the pool of candidates for resident coordinator, including through staff secondments and enhanced selection and review criteria. A query was raised regarding the number of resident coordinators who came from other organizations in 1994 versus 1998 and how many women resident coordinators were currently serving. The issue of funding of the resident coordinator system would be discussed by the Economic and Social Council and during the triennial comprehensive policy review in the General Assembly. Several delegations commented on the funding and management of the resident coordinator system, with some suggesting that the costs for support of the system be shared among involved organizations. One delegation expressed support for the continued designation of the UNDP Resident Representative as United Nations Resident Coordinator. Another delegation requested information on the designation of humanitarian coordinators who were different from the resident coordinator in a particular country.

42. One delegation, supported by another, requested systematic inclusion of sections on relations with the Bretton Woods institutions and on the preparations for participation in the humanitarian segment in future reports.

43. Many delegations expressed the view that concrete examples of lessons learned and good practices should have been included in the section on capacity-building and national execution, as well as with regard to the harmonization of programming cycles. Greater efforts were required to determine the common understanding of the definitions of capacity-building and national execution. Several delegations expressed their commitment to national execution. The need to refer to South-South cooperation in relation to national execution was mentioned by some speakers.

44. The emphasis on programme countries setting their own priorities was underlined by some delegations. The Organisation for Economic Cooperation and Development (OECD)/Development Assistance Committee (DAC) statement on "Development Partnerships in the New Global Context" (May 1995) was a useful reference in that regard.

45. The work to improve monitoring and evaluation activities was praised. However, more work was required in that area, in particular in relation to the CCFs, and with regard to updating current methods in light of the work of the UNDG. While enhanced project compliance was noted in some regions, others needed further efforts to increase compliance. Several speakers looked forward to receiving the evaluation compliance report at the annual session 1998. Queries were raised on progress in undertaking joint strategic evaluations and on the concept of rating of agencies mentioned on page 70 of the publication "Measuring and Managing Results: Lessons for Development Cooperation".

46. Several delegations expressed their support for UNDP funding of training activities held at the Staff College in Turin.

47. With reference to the cooperation of UNDP with civil society organizations and non-governmental organizations, one delegation questioned the reference contained in paragraph 58 of the document on the shift from representative to participatory democracy, stating that in his country's view that interpretation was outside of the domain of the Executive Board.

48. Comments from the secretariat on the progress of decentralized authority would be welcomed.

49. Some speakers asked for clarification of paragraph 44 of the document, stating that their delegations still had questions about the concept of multi-year contributions as a model for funding arrangements. One delegation requested that if reference to burden-sharing was included, then the report should also mention the possibility of maintaining voluntary funding arrangements. Other measures could be explored, including through the private sector.

50. Progress in the follow-up to global conferences was noted by many delegations. One speaker requested further information on the degree to which resident coordinators were incorporating the programmes of action resulting from the conferences in country-level programming. Another speaker asked for information on the linkage and coordination of the work of the various inter-agency bodies on follow-up to conferences. One delegation requested further information on the "20/20" event in Hanoi and a copy of the report on social exclusion. Further references to the role of South-South cooperation in the follow-up to the World Summit on Social Development would be welcomed.

51. Some delegations stated that they were of the view that the contribution of UNDP to the field of human rights should emphasize the right to development and refer to work with programme countries in addressing poverty eradication. Speakers underlined the need for UNDP to avoid conditionality in its work.

52. Requests were made for more information on lessons learned from inter-agency cooperation in fighting the spread of HIV/AIDS.

53. Two delegations believed that the report should have included reference to the narrowing of the UNDP programme focus.

Response by the secretariat

54. The Administrator welcomed the proposal for a consolidated report by UNDP, UNFPA and UNICEF to the Economic and Social Council.

55. With regard to the UNDAF process, he noted that United Nations specialized agencies were not yet formally participating in the process. The Administrative Committee on Coordination would need to agree formally on the inclusion of the specialized agencies in the UNDAF process. The linkage between the UNDAF and the resident coordinator system at the country level would need to be worked out. In response to a query, he stated that UNDP did not create country

strategy notes in cases where the Government did not wish to have one. The CSN was a government-owned document and could be seen as representing the "demand side" of development cooperation whereas the UNDAF represented the supply-side response by the United Nations operational entities. The UNDAF was the equivalent of a UNDP advisory note, he stated, and could possibly replace that note at a future date. In response to a query, he noted that sustainable human development was an overarching concept that was applicable to most development assistance. He hoped that the UNDP/UNFPA Executive Board could convene future joint meetings with the UNICEF Board as the UNDAF experience progressed.

56. In response to the comments made, he emphasized that resident coordinators did not want to be cut off from UNDP, which through its programme and administrative funding provided essential support for coordination. Seven resident coordinators had written to the Secretary-General on the necessity of having UNDP as an organizational base from which to operate the resident coordinator function. In response to the delegations who had suggested cost-sharing of the resident coordinator system, the Administrator stated that cost-sharing of the support office at the country level would be welcomed as UNDP was currently responsible for funding the offices. However, UNDP had a mandate from the Secretary-General for funding and managing the resident coordinator system on behalf of the United Nations system. In line with that mandate, UNDP would need to continue to provide central funding for the resident coordinator to ensure the unity of management and funding as well as accountability.

57. The Administrator cited the following figures: of 131 resident coordinators, 11 out of 35 designated in 1997 were from organizations outside of UNDP, a figure which had resulted in the doubling of resident coordinators from outside the organization; 30 of the 131 resident coordinators were women; the goal for women resident coordinators was 40 per cent by the year 2001; 41 out of 131 resident coordinators had worked outside of UNDP in their careers; there were currently four United Nations houses - in Lebanon, Lesotho, Malawi and South Africa; and 30 other premises were virtually ready for designation as United Nations houses.

58. Inter-agency collaboration existed in the area of monitoring and evaluation, the Administrator noted, but strategic evaluations were needed. He expressed disappointment about the lack of progress in harmonization, an area that required greater encouragement from intergovernmental processes.

59. In response to the clarifications sought, the Administrator noted that the paper on multi-year funding referred to in paragraph 44 of the report had been requested by the office of the Secretary-General as an input from UNDP for the report of the Secretary-General to the Economic and Social Council on the financing of operational activities.

60. Progress had been seen on developing a common understanding of national execution and capacity-building. New guidelines for national execution had been developed through an inter-agency process. UNDP had contributed chapters on national execution and the programme approach to the Consultative Committee on Programme and Operational Questions manual on operational activities.

61. He noted that a full report on the dissemination of information to country offices regarding the follow-up to global conferences would be made available to the Executive Board at the present session. He informed the Board that at the special session of the Economic and Social Council in May, UNDP would make a special presentation on collaboration with the OECD/DAC, the World Bank and the United Nations in the development of indicators to monitor progress in meeting the goals of international conferences.

62. In response to the query raised, he noted that the concept of agency ratings mentioned in the joint UNDP/Swedish International Development Cooperation Agency (SIDA) publication "Measuring and Managing Results: Lessons for Development Cooperation" merely implied that if aid agencies had a uniform rating system for assessing their respective activities, it could provide a basis for comparing the performance of the assistance they provided in different fields. An upcoming headquarters and country-level workshop in Santo Domingo would examine the lessons of the report as they applied to UNDP.

63. With regard to the comments on the human rights policy document, he underlined that UNDP assistance was unconditional and that programme countries had the right to be free from poverty. He agreed that the humanitarian segment was a key part of the Economic and Social Council session, especially in the current year, when the linkage with development would be discussed. Progress in decentralization was also worth examining, he stated, noting that UNDP had decentralized most of its programming operations except for the approval of the CCF.

64. The Associate Administrator stated that UNDP would endeavour to incorporate the suggestions made by delegations at the present session in the report of the following year. He noted that the time-frame of some CCFs had been adjusted in order to enable harmonization of programming cycles among the funds and programmes. There had been some progress in harmonization with regard to the presentation of budget formats among the funds and programmes. Direct execution, he underlined, was an exception which occurred in countries in special development situations where rapid delivery was needed or where the Government had requested UNDP to take action.

B. UNFPA

UNFPA report

65. In introducing the Report of the Executive Director to the Economic and Social Council (DP/FPA/1998/2 and Corr.1 (French only)), the Executive Director noted that the report had been prepared in the format jointly agreed to by UNDP, UNICEF, UNFPA and the World Food Programme. The report covered a wide range of issues, including funding arrangements, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and integrated and coordinated implementation and follow-up of the major United Nations conferences and summits. In response to a request of the Executive Board, the report included updated information on the work of UNFPA in the area of HIV/AIDS prevention.

66. The Executive Director underscored the Fund's strong commitment to the implementation of various General Assembly and Economic and Social Council resolutions and decisions of the Executive Board on operational activities, as well as the Fund's active participation in and commitment to the Secretary-General's programme of reform. With the support and guidance of the Executive Board, UNFPA continued to put into practice the long-standing commitment to coordination and collaboration in meeting the needs and priorities of all partner countries. The Executive Director noted that the United Nations Development Assistance Framework (UNDAF) pilot phase was an important part of those efforts. She stated that it was already clear that the UNDAF process facilitated a coordination of approach regarding data systems, situational analyses, monitoring and follow-up reporting to conferences. Overall, that would lead to a more solid basis for the formulation of programmes of assistance to a given country. The Executive Director observed that continued common attention was directed to issues relating to national execution and the shared goal of strengthening national capacity. UNFPA had brought to the attention of other members of the United Nations Development Group (UNDG) lessons learned from its experience in that area.

67. Several delegations stated that the UNFPA report to the Economic and Social Council was clear and comprehensive. Delegations welcomed, in particular, the focus on the UNDAF, the United Nations resident coordinator system and the Fund's commitment to the United Nations reform process. A few delegations observed that the report should be more analytical. One delegation noted that the report should have more substance. Some delegations noted that additional information on the follow-up to the ICPD and progress achieved by UNDG should also have been included.

68. One delegation, commending the analytical approach of the UNFPA report, noted that it captured the work of the Fund succinctly and comprehensively. The delegation added that the report clearly expressed the challenges and opportunities that UNFPA faced. The same delegation noted that the report should include more information on ICPD follow-up. The delegation also recommended that UNDP, UNFPA and UNICEF should prepare, for submission to the upcoming session of the Economic and Social Council, a consolidated list of areas where intergovernmental action regarding funds and programmes was needed and would, the delegation noted, greatly assist delegations in structuring their comments for the triennial review of operational activities. The same delegation was pleased to note the importance accorded to UNDG, the piloting phase of UNDAF and to the strengthening of the resident coordinator system. The delegation commended the measures undertaken to establish ownership of the system by participating agencies, including expanding the selection pool for resident coordinators and refining the terms of reference to ensure the greatest possible impartiality and neutrality; the secondment of staff from agencies other than UNDP to UNDG; greater harmonization of programming cycles and procedures; and increased use of common services and common premises. On the issue of financing for development, the delegation observed that alternatives to assessed or multi-year contributions should be explored, including a greater role for the private sector.

69. Another delegation, while welcoming the Fund's observations on the UNDAF process and noting their usefulness to the Economic and Social Council, noted that it was not fully satisfied with the report, which needed to be more analytical and less descriptive. The delegation observed that additional

information on the follow-up to ICPD should have been included. Another delegation, noting that the report should be more problem-oriented, stated that it should include recommendations for action to be taken by the Council. The same delegation added that the report should include information on the Fund's relationship with the Bretton Woods institutions and noted that there should be a recommendation from the Executive Board to the Council suggesting systematic reporting in the future on collaboration with these institutions. The delegation added that future reports should also contain a specific section on operational activities in the area of humanitarian assistance. Another delegation inquired about what could be done to increase collaboration with the Bretton Woods institutions.

70. Another delegation observed that the annual reports to the Economic and Social Council were particularly important because of the upcoming triennial policy review of operational activities and the role that the Council played in that review. Noting the key role played by UNFPA in the follow-up to ICPD, the delegation stated that it would have welcomed a reference in the report to the ICPD+5 process. The delegation welcomed the Fund's efforts to increase national capacity-building and encouraged UNFPA to continue that work, which would help to ensure country ownership, programme sustainability and enhanced impact of United Nations development projects and programmes. The same delegation also welcomed the Fund's efforts to decentralize activities further to the field and noted that the Council needed to consider the question of the harmonization of overall system-wide decentralization, including that of the specialized agencies. On the subject of the Fund's enhanced collaboration with the Bretton Woods institutions, the delegation asked how the collegial relations with the institutions translated into policy and programming actions at the institutional and country levels. The delegation commended the progress made by UNFPA in promoting national execution. The delegation suggested including a discussion on the use of direct execution at a future Executive Board session. With regard to monitoring and evaluation, the delegation suggested that UNFPA adopt evaluation compliance reports that should be submitted to the Board for discussion, as was the case for UNDP. The delegation also inquired about the progress made in joint, strategic evaluations with other institutions, including the World Bank, as called for in General Assembly resolution 50/120.

71. One delegation, while expressing its appreciation for the activities being undertaken within the UNDAF, noted that even at that early stage, it would like to see strong monitoring and evaluation of those activities. The same delegation drew attention to paragraph 5 of the UNFPA report and commended the Fund for succinctly delineating key areas in which further efforts were needed for strengthening the resident coordinator system. Another delegation also noted that it attached great importance to the UNDAF process and to strengthening collaboration among United Nations funds and programmes, the World Bank, donors and other development partners. It underscored the desirability of UNFPA focusing on its areas of comparative advantage.

72. Another delegation, while welcoming the Fund's commitment to the United Nations reform process, noted that the experience of UNDAF viewed from the perspective of UNDP appeared to be quite different from that of UNFPA. The delegation stated that it shared the concerns that had been expressed in the report of the Fund and asked to know more about the modalities being devised

within the context of UNDG to address the problems encountered by small organizations such as UNFPA. The same delegation stated that it strongly supported the idea contained in paragraph 4 of the UNFPA report that the UNDAF exercise should not duplicate past programming efforts or require a review of processes that had already been completed.

73. One delegation noted that there were some concerns associated with the UNDAF and the UNDG For example, the legal framework of the UNDG should be examined. With regard to the resident coordinator system, the delegation stated that the mode of the relationship with the host country should be delineated as some problems had been encountered in relations with counterparts. The delegation also inquired about the cost implications and cost-effectiveness of the UNDAF and about the relationship of the country strategy note (CSN), UNDAF and the national planning framework. The delegation underscored that the national planning framework should not be diluted by the CSN and UNDAF.

74. Another delegation, expressing its appreciation for the information the Fund had provided regarding strengthening the resident coordinator system, noted that more information should be given on the harmonization of country programmes. The delegation added that the figures on resources in paragraphs 22-26 of the document did not represent firm commitments. The delegation added that with reference to paragraph 15, additional information should have been included on the problems encountered in the Fund's technical support services (TSS) arrangements.

75. One delegation, while commending the report for being well prepared, stated that at a time when many developing countries were suffering economic hardships and their development efforts were being hampered, it was important to enhance and not diminish the role of UNFPA and UNDP. Noting that national execution should be both accelerated and taken more seriously, the delegation stated that there should be objective evaluations of national execution capability, and bureaucratic procedures within organizations should not be allowed to inhibit national execution.

76. Another delegation, while observing that the UNDAF and the resident coordinator system were good mechanisms and the core of the United Nations reform process, noted that ownership of the development process by programme countries should be fully respected. The same delegation commended the Fund for employing local experts in developing countries and stated that that policy should be fully implemented and national execution should be increased. The delegation expressed concern at the shortage of core resources and the consequences of that on UNFPA and UNDP programmes. The delegation urged donors to show greater corporate responsibility in that regard.

77. One delegation, speaking also on behalf of two others, noted that the reports to the Economic and Social Council should be focused and analytical documents and should point out areas where collaboration could be strengthened. The delegation added that the UNFPA report under consideration marked an improvement over past such reports in that it highlighted lessons learned. Another delegation also commended the Fund for having included various lessons learned in the report.

78. Another delegation noted that it shared the Fund's concerns expressed in paragraphs 5 and 6 of the report regarding strengthening the resident coordinator system to enable it to provide better coordination and effective support at the country level. Another delegation observed the importance of simplifying the programming process and avoiding another layer of bureaucracy.

79. One delegation noted that the reports to the Economic and Social Council should make some contribution towards addressing the poverty indicators of any country. Concomitantly, the reports should be more analytical. Recognizing that it may be difficult to cover a range of issues given the page limitation of the document, the delegation recommended selecting a few key issues and analysing them more thoroughly. The same delegation supported the Fund's adding resources for and mainstreaming HIV/AIDS prevention activities. The delegation underscored the merit of UNDP and UNFPA preparing an additional one-page note delineating key issues that could be discussed by the Council at its upcoming session.

80. Another delegation agreed that a short note listing key issues pertaining to improved coordination of operational activities should be prepared for submission to the Economic and Social Council. The delegation suggested that such a note could be prepared by the UNDG. With regard to monitoring and evaluation, the same delegation asked for information on how the Fund's Office of Oversight and Evaluation (OOE) helped UNFPA in assessing programme experience and, in particular, whether the OOE drew out and synthesized lessons learned from evaluations and shared these with the rest of the Fund.

81. The Executive Director thanked the delegations for their constructive comments. She noted that the suggestion to submit a short list of key issues for consideration by the Economic and Social Council was a very useful one. She also agreed with the suggestion that the decentralization process was an important item for further discussion. She noted that UNFPA was issuing a letter to its field offices reminding them that they had decentralized authority within the limits of the approved country programme and subprogrammes. With regard to monitoring and evaluation, the Executive Director noted that many steps had been taken to harmonize those processes and that the issue was also being addressed by such system-wide mechanisms as the Consultative Committee on Programme and Operational Questions (CCPOQ) and an Inter-Agency Working Group on Evaluation. She agreed that joint evaluations were a good way of reviewing programmes and projects and that joint thematic evaluations needed to be carried out. On the topic of national capacity-building, the Executive Director observed that the Fund had put the item on the agenda of UNDG. Also, at the annual session of the Board, the Fund would present a report on the absorptive capacity of programme countries. With regard to national execution, she underscored the importance of addressing the needs of national partners. The Executive Director noted that it was the Fund's goal to have full national execution; however, that required addressing various issues, including financial reporting and auditing in countries. She noted that additional information on the follow-up to ICPD could have been provided, but the Fund had sought to report on items that involved inter-agency collaboration.

82. With regard to the coordinated follow-up to conferences, the Executive Director noted that the recommendations of the three inter-agency task forces of

the Administrative Committee on Coordination (ACC) had been adopted by CCPOQ and a letter from the Chair had been sent out to all concerned. She observed that further efforts were needed to increase utilization by the field offices of the outputs of the task forces. The Executive Director noted that in her meetings with resident coordinators she drew attention to the following key points: the centrality of the UNDAF process; the importance of a common data system; gender as a key issue around which the whole system could work; the usefulness of thematic groups not simply as forums for information exchange but as an important means of identifying programming gaps and duplications, as well as a venue for policy dialogue involving all development partners, including the Government and non-governmental organizations; the importance of policy and programme reviews involving all members of the United Nations country team; and the key role of the resident coordinator system in promoting a coordinated follow-up to global conferences.

83. In responding to the comments and questions of delegations, the Deputy Executive Director (Policy and Administration) underscored that UNFPA was firmly committed to the UNDAF and the resident coordinator system. He noted that the report to the Economic and Social Council had sought to identify areas that needed attention, notably through the UNDG process, including problems resulting from the dual responsibility of the United Nations Resident Coordinator also being the UNDP Resident Representative. The Deputy Executive Director stated that UNFPA was committed to the promotion of national execution of country programmes as evidenced by the increasing amount of resources being channelled through this execution modality, from 31 per cent of country programme resources in 1996 to 41 per cent in 1997. He added that the Fund's programming process was based on decentralized authority, which had evolved incrementally through a number of stages, including an initial pilot phase. He noted that full decentralization of programming authority required strengthening country offices in terms of staff and infrastructure, streamlining guidelines, training staff at country and headquarters levels, and improving management information systems. With regard to humanitarian assistance, the Deputy Executive Director observed that since the Executive Board had authorized the Fund to provide emergency assistance for the first time in 1994 (decision 94/25), UNFPA had been providing such assistance through executing agencies such as the Office of the United Nations High Commissioner for Refugees and the International Federation of Red Cross and Red Crescent Societies. On the subject of relations with the Bretton Woods institutions, he noted that UNFPA worked very closely with them on operational and policy matters. The Fund's Geographical Divisions regularly consulted with the World Bank to avoid duplications in programming and to identify gaps that could be addressed. The Fund also had technical consultations with the World Bank and would be a co-partner on reproductive-health training.

84. Responding to the query concerning the function of the UNFPA Office of Oversight and Evaluation, he noted that one main function of the OOE was to undertake thematic evaluations and synthesize the lessons learned. In addition, the OOE took into account other findings and lessons learned, for example, those deriving from audits and policy application reviews. The Deputy Executive Director (Policy and Administration) concluded by thanking delegations for their encouraging and constructive comments.

85. The Executive Board adopted the following decision:

98/5. UNDP/UNFPA reports to the Economic and Social Council

The Executive Board

1. Takes note of the reports to the Economic and Social Council (DP/1998/14 and Corr.1 and DP/FPA/1998/2 and Corr.1 (French only)) and of the recommendations therein and decides to transmit them to the Economic and Social Council, together with the comments made by delegations and statements and answers given by the Administrator of the United Nations Development Programme and the Executive Director of the United Nations Population Fund at the present session;

2. Calls on the Administrator and Executive Director to provide in future reports to the Economic and Social Council: a thorough analysis of problems encountered and lessons learned in the field; a focus on issues that will permit the Council to fulfil its coordinating role; and, in this context, to present relevant statistical data in a consolidated manner;

3. Invites the Administrator and Executive Director to consult with other members of the United Nations Development Group on a consolidated list of issues central to the improved coordination of operational activities for submission to and consideration by the Economic and Social Council during its 1998 substantive session;

4. Also invites the Economic and Social Council to recommend, at its 1998 substantive session, actions intended to increase the usefulness of these reports as inputs to the deliberations of the Economic and Social Council, as called for in General Assembly resolution 48/162, by, *inter alia*, considering whether any issues in the current format are suitable for joint recommendations by the funds and programmes.

24 April 1998

III. UNDP: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

A. Three-year financial forecast outlining the financial commitments as of 31 December 1997

86. The Assistant Administrator and Director of the Bureau for Planning and Resources Management introduced the report on the three-year financial forecast outlining the financial commitments as of 31 December 1997 (DP/1998/CRP.6). He noted that many delegations had already reviewed and discussed the report at the 13 April 1998 meeting of the Ad Hoc Open-Ended Working Group on a Funding Strategy for UNDP.

87. As reflected in the paper, despite an unpredictable core-funding situation, the Administrator continued to manage responsibly the programming and delivery of the core resources placed at his disposal. According to Executive Board decision 95/23, the level of core resources originally envisaged during the three-year planning period 1997-1999 was $3.3 billion. At the present time,

three years after the adoption of decision 95/23, and half way through the planning period, the figure was estimated to be $2.3 billion, or 30 per cent less. Excess liquidity built up during the fifth programming cycle was no longer an issue as careful management of core programme build-up and delivery had enabled the expected substantial depletion of the balance of liquid core resources by the end of the year.

88. The critical mass of core funding that UNDP relied on to promote sustainable human development was in serious jeopardy. The annual funding base of UNDP therefore needed to be urgently restored to a predictable, adequate and sustainable level if the organization was to have the desired country-level impact mandated by the Executive Board. In that regard, UNDP very much welcomed and supported the work of the Open-Ended Working Group. In the short term, UNDP sought the support of the Board to reverse the downward trend of core resources in 1998. In the medium term, UNDP stood ready with viable sustainable human development programmes and projects at the level originally foreseen in decision 95/23, so that by the year 2000, the organization could operate at a level of $1.1 billion in annual voluntary contributions, if secured.

89. UNDP would continue to inform the Executive Board, both formally and informally, about the above-mentioned issues as well as other related matters during the discussion leading up to the review of the successor programming arrangements at the third regular session 1998, at which time a more comprehensive analysis would be made available for consideration.

90. One delegation stated that it was not convinced that the report respected the intention of the Executive Board in its request for a three-year financial forecast but rather focused on the financial problems of UNDP. His delegation would examine the matter further in the context of the Open-Ended Working Group, to which UNDP had made excellent inputs.

91. Another speaker underlined that without the required resources or the efforts to increase delivery, the organization could not succeed in its mission. He noted the concern expressed in previous Executive Board sessions about the sharp fall in contributions to UNDP core resources. The decline demonstrated the decrease in donor confidence concerning UNDP. The continued fluctuation in programme delivery did not generate confidence in UNDP. The speaker hoped that donors would increase their contributions. He underlined that the core budget was the bedrock of UNDP funding. If non-core contributions were allowed to dominate the funding of the organization then there would be an impact on the neutrality and universality of UNDP, those qualities that made it a preferred partner for developing countries.

92. Another delegation emphasized that it was a difficult time for funding organizations to operate, given the decline in official development assistance, and it was also a difficult time for emerging donors. It was unfortunate that the decline in core contributions had implications for the programming role and sustainability of country cooperation frameworks approved by the Executive Board. The situation was frustrating and was obviously felt very acutely at the country level. A system for country cooperation frameworks based on realistic and available resources was required.

93. One speaker welcomed the conference room paper and stated that her delegation would contribute its views at the Open-Ended Working Group on Funding.

94. Another delegation noted the adverse impact on development resulting from the decline in contributions to UNDP and the failure to meet the indicative figure referred to in Executive Board decision 95/23. The speaker was concerned that the total core contribution in 1998 of $740 million was compromising the critical mass of core funding needed to sustain core development activities. The Board must engage in decision-making relating to resource mobilization and the implementation of programmes. Methods must be sought to achieve the minimum required figure and revise programmes upwards to ensure predictability and strengthen the image of UNDP as a reliable development partner.

95. The Executive Board took note of the report on the three-year financial forecast outlining the financial commitments as of 31 December 1997 (DP/1998/CRP.6) and the comments made thereon.

B. Country cooperation frameworks

96. The Executive Board approved the first country cooperation frameworks (CCFs) for Côte d'Ivoire (DP/CCF/IVC/1), the Gambia (DP/CCF/GAM/1), Guinea (DP/CCF/GUI/1), Togo (DP/CCF/TOG/1), Bahrain (DP/CCF/BAH/1), Albania (DP/CCF/ALB/1), and the Turks and Caicos Islands (DP/CCF/TCI/1). The Board also approved the first extension of the fifth country programme for Niger (DP/CP/NER/5/EXTENSION I), the second extension of the third country programme for Antigua and Barbuda (DP/CP/ANT/3/EXTENSION II), and the second extension of the fifth country programme for Haiti (DP/CP/HAI/5/EXTENSION II).

97. The President of the Executive Board noted that, for technical reasons, and at the request of the Government, the first CCF for the Cayman Islands (DP/CCF/CAY/1) had been withdrawn and would be resubmitted to the Executive Board at a later session.

General remarks

98. The President opened the floor for brief comments and requests for clarification. The delegations of Albania, Côte d'Ivoire, Guinea and Niger expressed their gratitude for the Executive Board's approval of the above-mentioned CCFs and country programme extensions. They also commended the various UNDP bureaux and country offices in programme countries for their work.

99. One delegation, speaking on behalf of five other delegations, shared general concerns arising from the review of the vast majority of CCFs submitted to the Executive Board to date. The delegation noted that UNDP had been requested repeatedly to focus its activities on what the organization did best, which would improve UNDP impact at the country level, as well as facilitate resource mobilization efforts through the shaping of a distinctive profile of UNDP. In light of recent progress made towards greater cohesion of United Nations activities at the country level in the context of reform, the importance

of narrowing the focus of UNDP was further underlined as a way to enable UNDP to prepare for much closer collaboration with its partner United Nations agencies.

100. It was the view of the six delegations that the swift implementation by UNDP of decision 98/1 of 23 January 1998 on narrowing the focus should constitute one of the most important priorities of the Administrator. The quality of the UNDP product would influence decisions in the countries of the six delegations - and perhaps in many other donor countries - to increase or even maintain their current level of contributions.

101. In its decision 98/1, the Executive Board unconditionally endorsed eight guiding principles that addressed both the substantive focus of UNDP and principles of programming. All eight principles were to be applied in CCFs and mid-term reviews beginning in January 1999. The CCFs at the present session continued to contain many proposed UNDP interventions that went beyond the capacity-building role endorsed by the Executive Board as guiding principle number 1. Furthermore, very few CCFs contained any information on how UNDP complemented the work of other providers of development services, as guiding principle 3 had requested. More information was provided about the related activities of other donors in the UNFPA country programmes than in the UNDP CCFs, despite the Executive Board's clear endorsement of guiding principle 4 that UNDP should support the aid coordination efforts of Governments in programme countries.

102. In some CCFs, however, there were explicit references in the sections on lessons learned to overall evaluations of the last programme cycle. The six delegations welcomed that trend towards fulfilling guiding principle number 7, and encouraged the Administrator to make CCF evaluations a standard practice.

103. The CCFs in general failed to identify the desired impact, as requested by the Executive Board through its endorsement of guiding principle number 8. Others had articulated the need to demonstrate such impact and the delegation would not reiterate the arguments at the current session.

104. While the six delegations were aware that the guiding principles would come into effect in January 1999, they wished to avail themselves of the opportunity to state that the shortcomings discussed above should be corrected by that date. As requested by the Executive Board, a changed structure or format was required for future CCFs. The new standard would also meet the delegations' expectations for the anticipated ingredients of the United Nations Development Assistance Framework (UNDAF).

105. The six delegations viewed the changed format of the CCF as an important element for arriving at a successful conclusion of the open-ended, ad hoc working group on the UNDP funding strategy. It was imperative that the efforts of that group produce an agreed method for establishing year-by-year a rolling overall funding target for UNDP. In their view, the funding target could be derived only from CCFs that were recosted and clearly consistent with the focus of the organization and consistent with joint expectations of the kind of role UNDP should be expected to play. It would be on that basis that programme countries could rightfully expect donor countries to honour the commitments they

had undertaken by participating in the approval of the CCFs at the Executive Board.

106. The Associate Administrator assured delegations that UNDP had taken careful note of the statement made by the six delegations. Following the adoption of decision 98/1, specific instructions had been provided to ensure that the CCFs that would be submitted to the Executive Board as of January 1999 onwards adhered strictly to the guiding principles. The instructions that had been communicated would be reflected in the new advisory notes under preparation. In addition, the Programme Management Oversight Committee maintained a checklist to assist in the review of various programme documents; that checklist had been amended to include the new elements arising from decision 98/1. The new programming manual to be issued would similarly reflect the changes made in light of that decision. Executive Board decision 98/1 and the guiding principles would also form the basis for the review of the successor programming arrangements. As UNDP undertook the review, the guiding principles would be used as a yardstick by which the organization could measure where it stood in terms of the successor programming arrangements. To ensure a sharper focus for the next generation of CCFs, in the course of the triennial reviews of each CCF, the guiding principles would again be the yardstick by which to determine where they each stood and how they should be refocused.

107. The Associate Administrator hoped that with those changes the donor countries would be able not only to maintain but to increase their contribution levels. He also hoped that UNDP would not experience the same situation as it had at the time of the adoption of the successor arrangements, when there had been an understanding that if the successor arrangements were adopted by the Executive Board, there would be additional resources forthcoming.

IV. UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

108. The Deputy Executive Director (Programme) noted that the Executive Board had before it 26 country programmes and one extension of an ongoing programme. Three of the country programmes, those for Bolivia, Mali and Rwanda, would be considered in a joint segment with UNDP. She provided the Board with a brief update of some relevant developments within the Fund with regard to programmes, noting that in the previous 18 months the Fund had processed for approval by the Board 72 new country programmes and 8 extensions of ongoing programmes. Although that had been a demanding period for UNFPA, the focused attention to programme development had helped the Fund to evolve in several ways. It had assisted in advancing conceptual and strategic thinking, and had given direction to the development of operational tools and procedures which responded better to the needs of the countries as well as the field offices. During that period, the Fund had also undertaken several other major exercises, including some organizational changes and streamlining of functions within headquarters; a revision of guidelines, with due attention to system-wide reform initiatives; and an ongoing in-depth review of the Fund's financial management system. Those initiatives were linked to supporting increased decentralization of authority to the field, and aimed to provide better technical and policy guidance to UNFPA field offices while ensuring that the tools for developing and managing country

programmes were in place. The initiatives also included the refinement of monitoring and evaluation tools for measuring progress.

109. The subprogramme approach had begun to address one of the main weaknesses of past programmes, namely, the fragmentation of programme activities. Under the subprogramme approach, UNFPA had institutionalized the early involvement of major stakeholders in operationalizing the country programme. That involved consensus-building and a joint planning process between the key players, leading to the establishment of a framework under which a comprehensive and unified set of programme activities would be supported. In addition, the subprogramme approach was designed to reduce much of the repetition and bureaucratic paper work related to the formulation and approval of individual projects.

110. The Deputy Executive Director stated that the application of the logical framework techniques had assisted UNFPA staff in focusing on deliverable outputs; in considering at an early stage the means of measuring progress; and in ensuring that the necessary infrastructure was in place for the implementation of the programme. Although it was too early to comment on the outcome of the approaches adopted, encouraging signs were visible. She noted that the country programmes were closely aligned to the resource allocation system, with comprehensive programmes in category A countries and selected interventions in category B and C countries. In developing the programmes, an effort had been made to respond to national priorities and capacities in implementing the International Conference on Population and Development (ICPD) Programme of Action; to target interventions where UNFPA had a comparative advantage; and to take into consideration the activities of other development partners. In accordance with the objectives of the ICPD Programme of Action, the country programmes promoted the principles of reproductive choice and gender empowerment.

111. The Chief, Executive Board Branch, Information and External Relations Division, informed the Executive Board that a corrigendum (Corr.1) had been issued for document DP/FPA/PRK/3. One delegation sought clarification on the corrigendum concerning the percentage figure for male sterilization. The Chief of the Executive Board Branch assured the delegation that the correct figure as noted in the corrigendum was 1 per cent and not 10 per cent. The Chief reminded the Board that all UNFPA-assisted country programme activities were undertaken in accordance with the principles and objectives of the ICPD Programme of Action and that was clearly noted in every country programme submitted to the Board for approval.

112. The Executive Board then proceeded to approve, on a no-objection basis, in accordance with decision 97/12, the following country programmes and one extension of an ongoing programme: Botswana (DP/FPA/BWA/3); Cameroon (DP/FPA/CMR/3); Equatorial Guinea (DP/FPA/GNQ/3); Gabon (DP/FPA/GAB/3); Guinea-Bissau (DP/FPA/GNB/3); Lesotho (DP/FPA/LSO/3); Mauritania (DP/FPA/MRT/4); Sao Tome and Principe (DP/FPA/STP/3); Swaziland (DP/FPA/SWZ/3 and Corr.1 (French only)); Jordan (DP/FPA/JOR/5); Yemen (DP/FPA/YEM/2); Bhutan (DP/FPA/BTN/3); Democratic People's Republic of Korea (DP/FPA/PRK/3 and Corr.1); Islamic Republic of Iran (DP/FPA/IRN/2/EXT1); Maldives (DP/FPA/MDV/2); Thailand (DP/FPA/THA/7); and Colombia (DP/FP/COL/3).

113. The delegations of Botswana, the Democratic People's Republic of Korea, the Islamic Republic of Iran and Yemen took the floor to thank the Executive Board and UNFPA.

114. The Executive Board then took up for consideration the following seven country programmes, which Executive Board members, by prior notice in accordance with decision 97/12, had requested for discussion: Bangladesh (DP/FPA/BGD/5); Papua New Guinea (DP/FPA/PNG/2 and Corr.1 (French only)); South Africa (DP/FPA/ZAF/1); Ethiopia (DP/FPA/ETH/4); Mozambique (DP/FPA/MOZ/5); Niger (DP/FPA/NER/4); and Brazil (DP/FPA/BRA/2).

Assistance to Bangladesh (DP/FPA/BGD/5)

115. Numerous delegations supported the proposed programme and commended its clear and analytical presentation. Executive Board members who had recently been on a field visit to Bangladesh underscored that they had been impressed by UNFPA assistance to Bangladesh, which clearly focused on meeting the goals of ICPD. Several delegations commended the programme for having been formulated in line with the Government's health and population policies and strategies and in complementarity with the programmes of other multi- and bilateral donors. Some delegations inquired about the reform under way in the Ministry of Health and its possible impact on the UNFPA programme. Many delegations noted that more attention should be focused on advocacy, particularly to promote women's empowerment and gender equity. One delegation stated that since UNFPA was a small organization it should focus on advocacy and let the larger donors concentrate on providing assistance for service delivery. Some delegations observed that additional attention should be given to increasing cooperation with other development partners and to promoting South-South cooperation. One delegation inquired about the replicability of the Maternal and Child Welfare Centres (MCWCs) and the criteria for choosing the sites. Another delegation commended the channelling of 10 per cent of programme resources for non-governmental organization (NGO)-executed activities. The delegation welcomed opportunities for South-South cooperation with its neighbour, Bangladesh.

116. One delegation asked for information concerning collaboration with the Joint United Nations Programme on HIV/AIDS (UNAIDS) and also inquired about the impact and sustainability of the Fund's programmes. The delegation emphasized the importance of post-project evaluation and was pleased to note that gender would be a cross-cutting dimension in all UNFPA-supported programmes. The delegation cited the Partners in Population and Development initiative as being a useful mechanism for sharing experience. The delegation also highlighted some lessons learned through its country's cooperation with Bangladesh. Another delegation was pleased to note the reference to the United Nations resident coordinator system and asked what role the United Nations agencies in Bangladesh played in the follow-up to the global conferences. Another delegation, while underscoring the importance of donor collaboration and complementarity in Bangladesh, observed that the in-service training proposed by UNFPA should be linked with the Government's and donors' efforts to improve the quality of reproductive health services. The delegation added that the Fund's communication and advocacy activities should be consistent with and build upon the Government's information, education and communication (IEC) strategy. The

delegation asked that such collaboration be made explicit in the programme document.

117. Another delegation, while endorsing the proposed programme, underscored three points: collaboration and cooperation among all development partners should be given specific attention; the Government's health sector reform efforts should be supported, including the restructuring of the health and family planning wings of the Ministry of Health and Family Welfare and the delivery of the essential package of services; and there should be improvements of the facilities for contraceptive warehousing and distribution. The delegation noted that the Shukhi brand of the oral contraceptive pill was facing some challenges and that the Government would be meeting with the World Health Organization (WHO) to discuss improvements. The delegation asked how the Fund viewed its role in maintaining the Shukhi brand in Bangladesh.

118. One delegation sought clarification on the following points: the benefits of regional cooperation, including that with India and Thailand; the specific role of the UNFPA Country Support Teams (CSTs) in programme implementation; and the reason why the level of funding for the new country programme had not increased. Another delegation asked what was the Fund's specific role and comparative advantage in the context of population assistance to Bangladesh. The delegation added that the document contained no reference to baby-friendly hospitals. The same delegation asked how the constraints cited in paragraph 13 would be overcome and also sought clarification on some of the terms in paragraph 27.

119. The delegation of Bangladesh thanked the Executive Board and UNFPA and highlighted the following features of the country's population programme: the participation and involvement of NGOs and civil society in the population programme; a high level of policy support and commitment on the part of the Government; a rights-based approach to human development, with a focus on women's empowerment and the rights of the child; and the high priority given to safe motherhood, nutrition and education for girls.

120. In his response, the UNFPA Representative in Bangladesh highlighted the Fund's coordination with the World Bank-led donor consortium. The Fund had participated in the pre-appraisal and appraisal missions and key technical areas were covered by the UNFPA CST advisers. The World Bank had praised the Fund for its technical cooperation. He stressed that, in addition, UNFPA collaborated and held regular meetings with the Canadian International Development Agency (CIDA), the Department for International Development (DFID) of the United Kingdom, Sweden, and the United States Agency for International Development (USAID). The Fund was also collaborating with the European Union and the Asian Development Bank and was taking the lead in coordinating a local group on gender. With regard to the query on reform, he noted that UNFPA had been advocating for reform in the health sector for a long time. The Fund supported the reform under way in the Ministry of Health and Family Welfare, which would take place in a phased manner. He underscored the importance of ensuring the inclusion of the human dimension in the reform process.

121. The UNFPA Representative noted that the Fund also collaborated with UNAIDS and had chosen to focus on IEC and advocacy for HIV/AIDS prevention. He stated

that South-South cooperation would be further promoted and that Bangladesh had valuable experience to share with other countries, including with regard to NGO partnerships and successes in family planning. With regard to programme monitoring, he noted that there would be regular audits of each project and evaluations. He added that the Fund was endeavouring to incorporate lessons learned into programme and project design. Moreover, the Fund played an important and pioneering role in the delivery of reproductive health services, and the Government relied on it to do so, including through the use of innovative approaches. He noted that UNFPA could become a stronger actor in the area of advocacy. He added that the CST advisers played a key role in providing technical information and guidance on a variety of key subjects, including reproductive tract infections, sexually transmitted diseases, migration, ageing and nutrition. He affirmed that the Technical Support Services (TSS)/CST mechanism was a useful one on which the field office relied.

122. On the query regarding the programme's funding level, the Director of the Asia and Pacific Division stated that resource allocation was carried out in accordance with the criteria established and approved by the Executive Board in decision 96/15. With regard to the question on the Shukhi oral contraceptive pills she stated that the discontinuation of those pills would be a matter of concern to UNFPA. Based on independent studies, including a recent WHO study conducted at the request of UNFPA, it had been established that there was no quality issue with the manufacturing process and the delivery of the pills to Bangladesh. However, some problems had been identified with regard to the warehousing and the distribution/logistics system. She noted that two years of concerted effort had preceded the introduction of the Shukhi brand, which was designed for and by Bangladesh. Shukhi was now a well-accepted pill in the country. In order to introduce a new brand, the Government would need to undertake a lengthy process of market research and acceptability trials. She added that UNFPA hoped that the outcome of ongoing discussions on those issues would be in the interest of the Bangladeshi women and the Bangladeshi population programme.

123. The Executive Board approved the country programme for Bangladesh (DP/FPA/BGD/5).

Assistance to Papua New Guinea (DP/FPA/PNG/2 and Corr.1 (French only))

124. One delegation welcomed the second cycle of UNFPA assistance to Papua New Guinea, its closest neighbour. The delegation was pleased to note the close collaboration between the Government of Papua New Guinea, UNFPA and the Australian Agency for International Development (AusAID) in the population and health sector. The same delegation commended UNFPA for its strategy, which focused resources on provinces where no other donors were working, and promoted the goal of national capacity-building. The delegation added that other issues concerning the programme would be taken up bilaterally with the Fund.

125. The Executive Board approved the country programme for Papua New Guinea (DP/FPA/PNG/2 and Corr.1 (French only)).

Assistance to South Africa (DP/FPA/ZAF/1)

126. Several delegations expressed their support for the proposed country programme. One delegation, while observing that the programme was appropriate to the needs of the country, was concerned that UNFPA efforts ran the risk of being spread too thinly and that attempting to accomplish too much could dilute the overall effort, particularly given the programme's modest budget. The delegation noted that more emphasis should be given to working with NGOs, including the Planned Parenthood of South Africa (PPSA). The same delegation added that there was a lack of attention given to HIV/AIDS and in view of the fast-rising rate of the incidence of HIV/AIDS in South Africa, there should be added emphasis on HIV/AIDS and its linkages with population. The delegation observed that the Fund should determine what the relationship of population would be with the new interministerial commission on HIV/AIDS. While noting that in terms of capacity-building the focus of the proposed programme seemed to be on the central National Population Unit (NPU), the delegation noted that the fundamental needs of the provinces and municipalities outweighed those of the central level. The delegation asked UNFPA to clarify whether the provinces would have the means to implement and scale up interventions.

127. Another delegation noted that the role of NGOs should be made more prominent in the proposed programme. The delegation asked why 40 per cent of the country programme resources were expected from multi- and bilateral sources, which were uncertain. Another delegation, while commending the proposed programme for filling a strategic niche, inquired about how UNFPA would mobilize $4 million in multi- and bilateral resources. One delegation fully endorsed the emphasis on national capacity-building, particularly regarding strengthening capacity at the provincial level. The delegation was also pleased to learn that national and local NGOs would be used to deliver reproductive health services. The delegation asked how the needs of the increasing number of immigrants in South Africa were met within the population programme. The same delegation stated that donor coordination did not appear to be functioning well in South Africa and it welcomed the Fund's views on that. Another delegation, noting that it was a neighbour of South Africa, expressed concern about the rising number of cases of HIV/AIDS in both countries, and asked if anything was planned to counter the very serious HIV/AIDS epidemic.

128. The delegation of South Africa thanked the Executive Board and UNFPA and stated that the concerns expressed by the previous speakers were central to the concerns of the Government of South Africa, particularly the concern regarding HIV/AIDS. The delegation observed that on 23 April the South African National Population Policy would be presented to Parliament for ratification. The policy took into consideration the recommendations of the ICPD Programme of Action. The delegation emphasized the need for capacity-building within the National Population Unit and the Population Planning Units in order to implement the population policy.

129. In his response, the UNFPA Representative in South Africa noted that official development assistance represented only about 1 to 2 per cent of total government resources. He stated that the Fund's assistance was catalytic and sought to bring added value to the Government's own efforts in addressing population issues. He added that at the request of the Government, the Fund's

support focused on strengthening the capacity of the National Population Unit. With regard to the queries on multilateral resources, he noted that UNFPA had been working closely with DFID of the United Kingdom, on developing a project for which DFID was expected to provide resources equal to $3.2 million.

130. The UNFPA Representative agreed that HIV/AIDS posed a major threat to the country and noted that while the Fund's resources were limited it fully supported UNAIDS, of which the Fund was a co-sponsor. He added that the Fund was aware of the new commission on HIV/AIDS. He noted that under the UNFPA programme NGOs were expected to develop and pilot innovative approaches that could later be upscaled in the respective provinces. He stated that while UNFPA resources might be limited, the Fund was able to focus on those areas in which the Government had asked for assistance. The Fund was focusing on strengthening the reproductive health project in three provinces with the understanding that those interventions could be upscaled.

131. With regard to the question about the rapid rise of the HIV/AIDS epidemic, the Director of the Africa Division noted that that was an important concern for the Fund; indeed, the entire United Nations system was engaged in addressing the HIV/AIDS challenge. She noted the success of Uganda in tackling the HIV/AIDS epidemic and stated that that success was the result of the commitment of the Government at the highest level. She observed that to fight the epidemic both changes in behaviour and commitment at the highest level of Government were essential.

132. The Executive Board approved the country programme for South Africa (DP/FPA/ZAF/1).

Assistance to Ethiopia (DP/FPA/ETH/4)

133. Several delegations supported the proposed country programme for Ethiopia. One delegation commended the continued collaboration between UNFPA and USAID in such areas as contraceptive logistics. The delegation asked for a clarification on the selection of regions where the programme activities would be implemented and noted that it would be useful and synergistic for UNFPA and USAID to determine the activities and target the regions jointly. The delegation stated that it would welcome the Fund's support for an increased role for NGOs and the private sector in the Sector Investment Programme (SIP) as current World Bank programming did not include the development of the private sector in the SIP. Another delegation inquired about complementarity of the programme, particularly with that of the World Bank, and asked how monitoring of programme implementation would be undertaken.

134. Another delegation, while noting that national coverage for reproductive health was very limited and had a low priority, suggested that the baseline for the proposed programme should be the integration of reproductive health into basic health-care services. The delegation added that a great deal needed to be done in the area of advocacy, particularly to deepen the understanding of population issues at various levels. The delegation inquired as to how women's reproductive rights issues would be addressed and what would be the strategy to increase the number of female health workers. The same delegation also asked how population education would be integrated in the curricula of schools in the

regions. The delegation further asked if the programme would be synchronized with that of the United Nations Children's Fund (UNICEF). Another delegation welcomed any support the Fund could provide to create an enabling environment for involving NGOs and the private sector. The delegation commended the proposed programme for its clear statement of purpose and strategy and encouraged the use of the logical framework technique.

135. In her response, the UNFPA Representative in Ethiopia noted that the Government and the Fund were holding discussions concerning the selection of regions which would be based on population density, rates of fertility, infant and maternal mortality, and the presence of other donors. She stated that UNFPA and USAID were working closely, including in the area of logistics management. She observed that the Government of Ethiopia recognized the important role played by NGOs and the private sector in the population field, but understandably was concerned about the accountability of those organizations. However, the Government had confirmed that the Fund would work with NGOs in the implementation of the country programme. With regard to the Sector Investment Programme, the Fund had provided some CST assistance to the SIP mission and would continue advocacy to ensure the integration of population and reproductive health in the SIP. Meanwhile, the World Bank should also work towards ensuring the same. She noted that UNICEF had not yet synchronized its programme with those of UNDP, UNFPA and the World Food Programme (WFP) but it was currently discussing a bridging programme to enable future synchronization. The UNFPA Representative noted that in the past some regions had been difficult to access and that had inhibited effective monitoring. Under the new programme, a checklist of indicators would be used for monitoring progress in implementation. With regard to reproductive rights, she stated that UNFPA was working with women parliamentarians and women lawyers to promote reproductive rights and to ensure that women knew about their rights. She added that Ethiopia's Constitution was gender-sensitive and protected women. She noted that the Fund would continue to advocate for the education of girls and would encourage the employment of women in the health sector. To that end, the Fund would support training. She added that population and family life education were already integrated in the curricula of some schools and efforts should focus on integrating those topics into school curricula nationwide. Also, attention should be focused on training teachers in that area.

136. With regard to contraceptive supplies, she noted that coverage was very limited and greater efforts, in collaboration with other development partners, were needed to increase coverage. She noted that there was a very successful social marketing programme supported by the German Technical Cooperation Agency (Deutsche Gesellschaft Für Technische Zumsammenarbeit (GTZ)) and USAID. She underscored the need to ensure that all health facilities had a regular, timely and adequate supply of contraceptives.

137. The Executive Board approved the country programme for Ethiopia (DP/FPA/ETH/4).

138. The delegation of Ethiopia took the floor to thank the Executive Board and UNFPA.

Assistance to Mozambique (DP/FPA/MOZ/5)

139. Several delegations expressed their support for the proposed country programme. One delegation was pleased to note the focus on adolescent reproductive health and added that there should also be greater awareness of HIV/AIDS. She noted that the results of the census indicated a lower population figure than expected. Another delegation, which had participated in the Executive Board field visit to Mozambique in 1996, noted that the country faced many challenges: two thirds of its population was under the age of 24; the illiteracy rate was very high; the population of the country was concentrated in two areas, the north and the south, separated by 1,000 kilometres; and there were transportation and communication difficulties. The delegation added that in Zambezia province there were only four doctors serving a population of 3.5 million people. Citing paragraph 28 of the document, the delegation fully agreed that the capacity of the Fund's field office should be strengthened. Another delegation concurred with the previous delegation and acknowledged the close cooperation between the Fund and the Government of Mozambique. It noted the progress made by UNFPA in training and the rehabilitation of health facilities and added that its country was also supporting the training of health-care personnel and the provision of health-care services for adolescents.

140. Another delegation appreciated the well-balanced programme and the focus on adolescent reproductive health. It asked what would be the division of labour between UNFPA, WHO and UNICEF in the area of reproductive health. The delegation asked for information on capacity-building and the strengthening of institutions dealing with population issues at the central level. Another delegation inquired about the 1997 population and housing census and asked about the status of the data analysis. The delegation stressed the importance of having a national population policy. The delegation added that no mention had been made in the document of the large ($27 million) project supported by the European Union. It also wanted to know more about collaboration with UNAIDS. With regard to the need to strengthen office staffing, the delegation suggested that some staff should be placed directly in Zambezia province, where 45 per cent of the Fund's assistance would be focused.

141. The Director, Africa Division, thanked the delegations for their constructive comments and noted that the challenges faced by the country merited the work of the Fund. She acknowledged the transportation difficulties between Maputo and Zambezia. She noted that the Fund planned to recruit and post national professional project personnel in Zambezia to ensure effective programme implementation and utilization of resources. The Director underscored the importance of capacity-building and stated that the Fund would support training towards that end. She noted that adolescent reproductive health was a key area and the Fund would work collaboratively with UNICEF to achieve synergies. She agreed that the analysis of the census data should be completed quickly and that the results should be presented in a manner that would be useful to planners and programme staff. She noted that the Fund would involve the CST advisers to help expedite the process. She observed that the reference to the European Union project had been included in an earlier, longer programme document and had been inadvertently omitted in the shorter document submitted to the Executive Board. She added that the European Union was supporting the UNFPA

programme. The Director acknowledged that HIV/AIDS was a major issue and the Fund was coordinating its activities with the other co-sponsors of UNAIDS.

142. The Executive Board approved the country programme for Mozambique (DP/FPA/MOZ/5).

143. The delegation of Mozambique thanked the Executive Board and UNFPA.

Assistance to Niger (DP/FPA/NER/4)

144. Three delegations commented on the proposed country programme while expressing their support for it. One delegation inquired about the synchronization of programme cycles among the members of the Joint Consultative Group on Policy (JCGP) since the UNDP programme was ending in 1998. The delegation also stressed the need to change the attitudes of religious leaders on such sensitive issues as population education, family planning and HIV/AIDS prevention. There was a need to convince religious leaders about the importance of those issues, and the delegation asked to know more about the Fund's concrete actions in that regard. The delegation added that instead of the term "equity" it wanted the term "equality" to be used with regard to gender. Another delegation emphasized the need for coordination among United Nations and multi- and bilateral agencies in implementing the national population policy. A third delegation noted that the document provided a good analysis of lessons learned and those would provide the Fund with a useful basis for reinforcing its actions in Niger. The delegation wondered if the country had the capacity to absorb the UNFPA assistance being proposed.

145. The Director, Africa Division, informed the Executive Board that the decision to harmonize programme cycles had been taken at the country level by JCGP member agencies. She noted that the UNFPA field office had not been aware of the UNDP decision to end its programme in 1998, since JCGP members had agreed to synchronize their programme cycles. She emphasized the importance of sharing information when unanimous decisions were changed by one party. With regard to the attitudes of religious leaders, she observed that UNFPA had undertaken various activities to involve religious leaders and sensitize them to population issues. The Fund would be organizing a regional conference, scheduled to be held in November 1998, in Niger, on "Islam and Population". That conference would help to promote South-South cooperation and to show that Islam did not place restrictions on family planning. She noted that with regard to the terms "equity" and "equality", the formulation from the Fourth World Conference on Women would be used. The Director affirmed that UNFPA would continue to collaborate and coordinate with other agencies to ensure that its limited funding was put to the best possible use. With regard to the question about absorptive capacity, she noted that where the capacity did not exist, the Fund would need to help build it. A recent study on absorptive capacity in four countries of sub-Saharan Africa had highlighted the need for training to develop capacity for the management of population programmes. She added that the Fund would focus on that issue to enhance effective programme delivery.

146. The Executive Board approved the country programme for Niger (DP/FPA/NER/4).

Assistance to Brazil (DP/FPA/BRA/2)

147. One delegation, while expressing its support for the proposed programme, noted that it dovetailed appropriately with the USAID strategy and commended UNFPA for working closely with USAID. However, the delegation was concerned that the Fund's approach risked spreading the resources too thinly over a number of issues and possibly diluting their potential impact. Nevertheless, the delegation commended the proposed emphasis on adolescent reproductive health and the integrated approach of combining sex education, adolescent job training, NGO counselling and advocacy. The delegation added that it might be useful to add the elements of outreach to parents and the provision of job and/or credit opportunities for youth in conjunction with training. The same delegation noted that the summary of USAID activities contained in paragraph 15 of the document needed to be updated. While observing that USAID family planning assistance would end in the year 2000, the delegation stated that UNFPA should consider how its capacity-building efforts, described in paragraph 21 of the document, could continue to reinforce USAID contributions. The delegation indicated that USAID HIV/AIDS activities, however, would continue through the year 2003. The delegation noted the insufficiency of assistance to preventive care as a strategy to reduce maternal mortality and pointed out that while sexually transmitted diseases STDs/AIDS prevention was an important measure for improving reproductive health, STDs/AIDS were not a principal cause of maternal mortality. Citing paragraph 12 of the document, the delegation stated that UNFPA and USAID should work together to convince policy makers to include contraceptives as a line item in the budgets of the respective states. The delegation also asked for a clarification on the need for additional studies on contraceptive methods proposed in paragraph 22 of the document, as it had already carried out various such studies.

148. Another delegation was pleased by the clear presentation of the programme and applauded the Fund for its strategy focusing on a few selected states. The delegation asked that the programme document indicate which states had been selected and the resources to be allocated to each. Noting that paragraph 12 of the document referred to the limited implementation capacity of the Ministry of Health, the delegation was concerned that the amount of resources allocated to capacity-building might be insufficient. The delegation asked if there would be coordination with the World Bank's sectoral projects.

149. The Director of the Latin America and Caribbean Division noted that the proposed country programme was highly focused and was based on the lessons learned during the previous cycle of assistance. Reducing maternal mortality and promoting adolescent reproductive health would be the main focus of the programme. Nearly 70 per cent of programme resources would be allocated for reproductive health and 25 per cent would be allocated to population and development activities. She observed that UNFPA would take note of the suggestions made by the delegations. She added that UNFPA was interested in strengthening the logistics management of contraceptive supplies and would be assisting state governments to develop their own programmes. She clarified that the contraceptive studies referred to would only complement those carried out by USAID and the cooperation of USAID would be sought. Regarding assistance to the Ministry of Health, she explained that programme resources would not be sufficient to build all the required capacities, and UNFPA assistance would

focus on supporting changes in norms and legislation in the area of reproductive health, particularly in support of the decentralization process. She added that UNFPA programme activities in the selected states would be carried out in coordination with other agencies working in the same areas, including the World Bank. She also stated that the Fund had been very successful in building alliances with NGOs and 20 per cent of programme resources would be allocated for activities executed by NGOs.

150. The Executive Board approved the country programme for Brazil (DP/FPA/BRA/2).

151. The delegation of Brazil thanked the Executive Board.

152. Following the consideration and approval of the seven country programmes, the President opened the floor for general comments on the UNFPA programming process.

153. One delegation, speaking also on behalf of two other delegations, highlighted SIPs and noted that the sector-wide approach and the pooling of resources represented the programming model of the future, but added that it might prove difficult for UNFPA to pool its resources with those of other donors. The delegation suggested that the Executive Board should have a substantive discussion on the subject at the annual session, based on a conference room paper. Another delegation supported that proposal and noted that its country was also very interested in the Fund's sectoral activities. Another delegation welcomed the Board's new process of having a focused discussion on selected country programmes. It underscored the need to further link lessons learned from earlier cycles of assistance to current country programmes and noted the lack of analysis on the Fund's relationship to the programmes of other donors. The delegation cautioned against developing parallel reproductive health programmes for youth outside the mainstream reproductive health programmes.

154. The Deputy Executive Director (Programme) thanked the delegations for their useful comments and noted that the Fund had discussed the sector approach and would welcome the Executive Board's guidance on that matter. She was concerned that reproductive health tended to be neglected in the health sector. She observed that at present the Fund's financial regulations did not allow the pooling of resources and added that there was insufficient time to prepare a conference room paper for the annual session. She stated that the requested corrigenda would be issued and noted that the Fund would endeavour to better spell out the lessons learned and the relationship between the old and new programmes. Similarly, within the limitations of space, the Fund would also endeavour to delineate the relationship of its programmes to those of other donors, when those relationships were particularly close. She agreed that parallel programmes for youth might not be useful; however, many countries were not prepared to set up integrated programmes for youth. She concluded by thanking the Executive Board members for their advice and guidance.

Joint segment

V. UNDP: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS AND UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

155. In accordance with written requests by the required number of delegations, the Executive Board held joint discussions on the UNDP country cooperation frameworks (CCFs) and the UNFPA country programmes for Bolivia, Rwanda, and Mali.

A. Bolivia

First country cooperation framework for Bolivia (DP/CCF/BOL/1)

156. The Deputy Assistant Administrator and Deputy Director, Regional Bureau for Latin America and the Caribbean, introduced the first CCF for Bolivia (DP/CCF/BOL/1). He highlighted the salient points in the CCF, including the fact that in spite of a prolonged period of stable economic growth, approximately 70 per cent of the national population lived in extreme poverty; those most affected were indigenous people and women. A new Government had been democratically elected and installed in August 1997. The CCF had been developed through a national dialogue, which had identified the country's priorities. Major institutional reforms had been undertaken over the last several years and needed to be put into operation in the areas of decentralization and public sector reform. There were widespread problems in the delivery of programmes as well as in international cooperation, which played a major role in the development efforts of the country. Moreover, Bolivia was one of the largest producers of coca leaves and the second largest producer of refined cocaine - that issue was being profiled by the Government as one of the major problems to be attacked in the period covered by the CCF.

157. The fifth country programme had been thoroughly evaluated and Bolivia had been one of the first countries to use the programme approach as a way to improve the coordination of development programmes. Efforts in that area had been positive but such a process took time and required increased cooperation among development partners and the Government - issues that were being addressed and should further consolidate the use of the programme approach in the future. With regard to United Nations system coordination, UNDP had also been working extensively in the area of common services. Bolivia was probably one of the countries in Latin America that was most advanced in coordinating United Nations services and their administration with positive results. In addition, UNDP had worked with UNFPA and would continue to do so on issues relating to delivery problems in the country, particularly the bottlenecks in the use of the national execution modality. UNDP was also working with UNFPA and other partners in the area of social statistical indicators and discussing possible involvement in the upcoming national census.

158. Stressing the need for cooperation and coordination with other donors, one delegation stated that the CCF reflected the priorities of the Government of Bolivia and fitted in well with the delegation's bilateral assistance programme in the country. Another delegation regarded the CCF as well coordinated and

elaborated, especially in terms of the lessons learned from past experience and how they would affect future programmes. The same delegation asked for clarification on the ratio of core resources to be used for the three thematic areas of focus - opportunity, equity and institutionality. The delegation also pointed out that there were many good examples of South-South collaboration in the Latin America region and inquired whether it would be used as a modality in implementing the programmes and projects in the CCF. In the area of micro-finance, UNDP proposed to promote an increase in domestic savings and engage in other private sector activities, such as the promotion of micro-, small- and medium-scale enterprises. But at the same time, it was mentioned that UNDP was not a provider of capital and thus would participate in the area of access to technology and capacity-building. If UNDP did not have any capital for micro-credit or micro-finance activities, how would that gap be filled? The delegation viewed the stress on the improvement of monitoring of impact and performance indicators in the CCF as quite important, especially in terms of joint programming with the other United Nations agencies, and asked whether there were any plans or programmes to further develop joint monitoring or evaluation.

159. One delegation noted that the funding table in the CCF stated that the target contribution of the Government of Bolivia was $86 million, approximately two thirds of the total resources required for the period of the CCF. The delegation inquired about the source of those funds - would they come from bilateral or multilateral aid to the Government? The delegation also asked for general information on the origin of government contributions to other programmes.

160. Another delegation inquired how stakeholders would be involved in the design of environmental and sustainable livelihood activities and in the work of micro-, small- and medium-scale enterprises. Would participatory methods be used to identify the population's perceived needs and would they be incorporated into the design process? The delegation also observed that the CCF made reference to the establishment of environmentally protected areas. Since Bolivia already had a well-established system of protected areas consisting of 11 national parks plus some biosphere reserves, the delegation asked for clarification on the role of UNDP in the area.

161. One delegation observed there was a difference in the figures for the total population of Bolivia - 6.5 million in the UNDP document and 7.4 million in the UNFPA document. The speaker went on to say that his delegation appreciated the remarks made by the Deputy Assistant Administrator about the programme approach and the extensive information in the CCF about the efforts made in that direction. Major changes were noted in narrowing the focus in the CCF. However, the delegation asked for clarification about UNDP support for rural textile production. Also, as pointed out by another delegation, UNDP proposed to provide small- and medium-scale enterprises with information, training and access to technology but would not be providing capital. In the delegation's view, there was a risk that the role of UNDP would be marginal and that it would be absorbed by efforts to coordinate with larger and more important donors in the area. The CCF also mentioned the implementation of education reforms and health policies. Again, the delegation wondered whether that was an appropriate area of focus for UNDP. However, it was noted that the proposal for a national

governance programme and for support for judicial reform were two areas where UNDP had a distinct role and comparative advantage. On the question of United Nations coordination, while the delegation appreciated the information provided in the oral introduction of the CCF at the current session about United Nations agency cooperation in terms of United Nations common services, it was information that could also have been incorporated into the CCF document, together with information about what other donors were doing in the country.

162. Another delegation noted a lack of strategic focus in the document. The role of UNDP was defined as a provider of development services that would help the country to reach a higher level of human development, a very general description. The delegation would have liked to have seen a short analysis on the comparative advantages of UNDP in Bolivia. In addition it was unsatisfactory that the issue of coordination was not elaborated on at all in the document.

163. The Deputy Assistant Administrator and Deputy Director, Regional Bureau for Latin America and the Caribbean, thanked delegations for their comments, questions and support. Addressing one delegation's query, he noted 60 per cent of core resources would be used for the thematic area of equity (poverty eradication); 40 per cent would be used for institutional reform; and the area of opportunity (environment and sustainable livelihoods would be financed primarily out of non-core funds, primarily from the Global Environment Facility (GEF)). It was expected that approximately two thirds of cost-sharing resources for the period covered by the CCF would come from the Government, either from multilateral loan proceeds or from other third-party donors since there was a tradition in Bolivia of fruitful collaboration with third-party donors in the country. Building on the experience of the previous country programme with the programme approach, core resources had been used predominantly as seed money and to assist the Government in rapidly establishing a platform around which programmes could be built. Thus, core resources had the strategic value of leading to rapid deployment and, in most cases, to the formulation or early implementation of programmes that would later receive resources from the Government itself and/or from other multilateral and bilateral donors. With regard to South-South cooperation, in many ways and particularly in terms of issues relating to modalities and the programme approach, Bolivia had been a pilot country and had attempted to convey not only the concept but all of the experiences of pilot programmes to other countries within the region and in other regions as well. For four years, Bolivia had been one of the centres of experimentation for UNDP, precisely because of its use of innovative programming modalities. Also, Bolivia was one of the countries chosen to attend the workshop on programme impact indicators mentioned previously by the Administrator because of the experience gained over the years in developing indicators to measure the impact of development programmes and projects - not only the outcome of the programmes and projects, but the actual societal impact.

164. Another issue raised by some delegations was the UNDP contribution to micro-finance projects, when the organization did not expect to be directly involved with the resources that would be required to carry out the projects. UNDP had experience in the area through the MicroStart initiative, and, more specifically, UNDP was building on already existing experience in Bolivia with the social emergency and social development funds, as well as with the Banco

Sol. The role of the organization was more a matter of building on experiences in which local financing was potentially available. UNDP would see how it could collaborate with the Government on moving the area of micro-financing towards the productive sector and not just social investment projects. In that respect, UNDP believed it could provide some technical cooperation whereas others would be called upon to provide financing.

165. To address the comment on the discrepancy between the population listed in the UNDP and UNFPA documents while it was possible that the United Nations Development Framework (UNDAF) might resolve the problem, the census definitely would. All development partners should support the census activities in the country so that there would be a good statistical baseline not only for the number of people living there but also what they did for a living and in what socio-economic condition they lived.

166. The issue of governance was also raised by one delegation. The Deputy Assistant Administrator noted that it was a key area in Bolivia for several reasons; for example, support for the sustainability of the ongoing decentralization process and support for the Government's very strong drive towards transparency and clearer rules for public sector activities such as procurement, in which UNDP was involved, and support for initiatives in the area of justice, such as the recent creation of a specific ministry to address issues of justice and the installation of an ombudsman. These were areas in which UNDP had collaborated with the Government and would continue to do so.

167. On the question of the textile project, that was actually an ongoing activity in the area of regional rural development schemes and resulted from early discussions on the programme approach in the fifth cycle. UNDP was happy with the results of its collaboration with the Government of the Netherlands on the project. On the issue of the involvement of stakeholders, the Popular Participation Law had created strong local mechanisms for the active involvement of stakeholders - regional and municipal. In addition, the procedures for GEF programme formulation sought to ensure that active participation of the concerned stakeholders would take place.

168. On the question of focus, in both the national programme and the UNDP programme, it was clearly stated that the focus was on poverty reduction. As the area was a national priority, UNDP was dedicating the principal amount of its resources and time to providing development services in that area. On United Nations coordination, which could play a major role in the development of the country, the United Nations system had made a great deal of progress in the area of common premises and was currently awaiting a decision on the establishment of a United Nations house.

169. The Executive Board approved the first country cooperation framework for Bolivia (DP/CCF/BOL/1).

UNFPA assistance to Bolivia (DP/FPA/BOL/2)

170. Several delegations noted their support for the proposed country programme for Bolivia. One delegation stressed the need for cooperation and collaboration with other donors and noted that many of the programme's key activities

complemented those of the United States Agency for International Development (USAID). The delegation highlighted the Fund's comparative advantage in the areas of women's empowerment and gender issues but was concerned that the Fund's support for the distribution of free contraceptives within public sector services had mixed benefits and might work against future sustainability. The delegation noted that UNFPA should emphasize the importance of improving the relationship between health-care providers and indigenous clients. It was also necessary to try to address certain sociocultural attitudes such as the view that since pregnancy was not an illness, no health care was required during pregnancy. Given that family planning was still a very political and sensitive issue in the country, another delegation wondered why only limited resources were being allocated for advocacy. Another delegation welcomed the Fund's focus on male involvement and noted that it was essential for women's empowerment. It noted that the maternal mortality rate was high considering the country's gross national product and said that it would have liked more information on that issue. The delegation asked if sufficient resources were being allocated for advocacy. One delegation was pleased with the Fund's emphasis on tackling the problem of maternal mortality.

171. In her response, the UNFPA Representative for Bolivia thanked the members of the Executive Board for their support and concurred that the Fund worked very closely with USAID in a number of areas. With regard to the issue of sustainability for contraceptives, she noted that the gradual absorption of contraceptive costs by the Government had been included in the proposal currently under review for the transformation of the maternal and child insurance scheme into a basic insurance package that would include, inter alia, family services for men and women throughout the life cycle. Also, the sustainability of the insurance package, which would strengthen its institutionalization process, was being ensured through the commitment of the municipalities to support the package. So far, 120 of the 311 municipalities had pledged their support to the new package. Regarding indigenous issues, she stated that the emphasis on sociocultural and interpersonal aspects in the training of service providers supported by the programme was the crux of the Fund's contribution to the improvement of quality. The Fund emphasized the importance of those aspects in enhancing the relationship between health-care providers and clients. The programme's information, education and communication (IEC) strategy, which had a strong rural component, would also address those issues. She observed that since ICPD, official counterparts in Bolivia had shown increasing commitment regarding population issues and the new Government was supportive of reproductive health programmes. Also, a healthy dialogue on the subject prevailed with the Catholic Church. While noting that the current level of advocacy was appropriate, she agreed that it could be enhanced. She added that all programme activities emphasized gender, sociocultural and ethnic aspects and attention would continue to be focused on increasing male involvement.

172. The Executive Board adopted the country programme for Bolivia (DP/FPA/BOL/2).

173. The delegation of Bolivia took the floor to thank the Executive Board.

174. The delegation of Bolivia thanked the Executive Board for having adopted both programmes. Emerging problems relating to poverty in Bolivia had given rise to the negative statistics on coca-leaf production and participation in the production of refined cocaine, and the Government was undertaking an intense struggle against the scourge of drugs. In Bolivia, the national dialogue - a unique programme in the delegation's part of the world - had made it possible to deepen the process of democratization. The national dialogue proceeded through a process of popular participation that took democracy to isolated communities far from population centres. Democratization also brought about investment in housing, infrastructure, and health, which were regulated, supervised and implemented by the people themselves. UNDP and UNFPA had accompanied the country in the above-mentioned processes, and the delegation wished to express its appreciation for the work carried out by the two agencies - efforts to integrate, understand, and coordinate that had transformed those programmes into a solution providing continuity in the country - continuity that had not prevailed in the past, as a result of political changes or natural disasters.

B. Rwanda

First country cooperation framework for Rwanda (DP/CCF/RWA/1)

175. The Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, introduced the first CCF for Rwanda. He noted that the previous country programme had been extended by one year to allow Joint Consultative Group on Policy (JCGP) partners to synchronize their programmes during 1998. Although the effects of the genocide of 1994 were devastating, significant progress had been made. Nevertheless, structural constraints to economic and social development persisted. Among the major challenges faced by the country were the urgent need for national reconciliation and reintegration, limited economic opportunities, agriculture and weak national management capacity. The removal of a culture of impunity and promotion of respect for human rights were also essential. UNDP had been successful in mobilizing resources for Rwanda through the round-table process. In addition, a special UNDP fund for Rwanda had been established. However, in order to utilize these resources effectively, UNDP could not rely on the national execution modality, because the State apparatus and civil society were both severely affected by the war. On an exceptional basis, however, a direct execution modality was approved by the Executive Board for Rwanda. In terms of delivery, as a result of direct execution, 94 per cent of total resources administered by UNDP during 1997 were delivered.

176. The UNDP Resident Representative and Resident Coordinator observed that the CCF allowed UNDP to establish a framework of cooperation with the Government of Rwanda and to move away from the emergency relief operation that had characterized interventions during the last three years. The focus areas of the CCF addressed the country's main development challenges. The strategy adopted would aim at shifting from an emergency relief to facilitating a gradual return to normalization of the country's political, economic and social situation. Activities would focus on ensuring a continuum between short- and mid-term reintegration needs of returnees and their long-term social and economic needs, to ensure their sustained integration back into society. Equally, needs of

internally affected populations, survivors of genocide, and other vulnerable groups would be addressed.

177. The UNDP Resident Representative then highlighted the main points of the CCF. He went on to note that in March 1998, one of the first international meetings on the promotion of micro-financing and micro-enterprises was held in Rwanda, attended by over 50 countries from Africa and Asia, mainly to define the areas of priority within a framework that had been elaborated by a group of experts within the region, in particular the Africa region as a whole. A joint unit had been set up with the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP) to address the needs of returnees and to provide support for groups to contribute to the national reconciliation process promoted by the Government. The unit was preparing area development programmes in three prefectures and would continue its work in the rest of the country as programmes were implemented. A joint programme would be presented to donors within the next two or three months.

178. Cooperation with other United Nations agencies, NGOs and the donor community in carrying out programmes was viewed as essential. Nine thematic groups had been set up, headed by specialized or other agencies. Along with donors, NGOs and the Government, the thematic groups had been working to ensure coherence in programmes and to identify gaps and prepare for the thematic consultations that would take place in the coming months. In addition, although common premises had not yet been addressed, in terms of common services, a United Nations workshop and garage had been set up, and work had been done on unifying administrative procedures and services as well as travel. In addition, a common United Nations information management unit had been established in the Office of the Resident Coordinator, with the aim of providing baseline data for all agencies. Cooperation with representatives of the donor community, the World Bank and the International Monetary Fund was also stressed.

179. One delegation stated that, generally speaking, it agreed with the analysis of the situation in the CCF, especially with regard to progress achieved since 1994. The delegation was happy to note that the situation analysis and framework were established with the Government of Rwanda and approved of the list of priorities elaborated. The speaker hoped that implementation of the programme would contribute to a constructive dialogue between the Government of Rwanda and the United Nations. Regarding the legal apparatus, there were certain needs that had to be addressed immediately and the system needed to be strengthened so that the problems could be solved. To address reconciliation, many judicial and extra-judicial measures were worthy of attention. In addition, the delegation hoped that specific attention would be devoted to the special considerations of the state of development of Rwanda, as described in the CCF, as well as to the socio-economic consequences of AIDS, the general situation and status of women, and the state of the environment. Full cooperation and coordination with other agencies, including the Joint United Nations Programme on HIV/AIDS (UNAIDS), was essential. The delegation also inquired about what was being done to combat erosion, since one of the objectives in the CCF was the establishment of food security.

180. Another delegation stated that the CCF clearly indicated the intention of UNDP to support the development policies and efforts of the Government of

Rwanda. The delegation believed it was important that United Nations activities in the country mesh as fully as possible with the plans and priorities of the Government. They particularly supported the emphasis on reviving Rwanda's rural economy. Immediate attention should be given to improving agricultural production and the institutions that supported it. The delegation understood the need for direct execution of some projects. Activities, however, should be consistent with the guidelines laid down by the Executive Board in its decision 98/2 of 23 January 1998. The delegation's field office had observed that a major problem in sustaining government capacity in Rwanda was that the Government could not pay salaries comparable to those offered by NGOs or the United Nations and inquired whether UNDP had any ideas on how best to address that situation. The delegation was glad to find that the UNDP/UNHCR joint programming unit was finally functioning. While acknowledging the difficulties in putting the unit together, the delegation wished the process had not taken so long. With greater cooperation between UNDP and UNHCR and clearer policy guidance from the authorities in Rwanda, the unit would operate more smoothly in the future. The delegation's understanding, however, was that UNDP and UNHCR still had not engaged in real joint projects and programmes that fully bridged the transition from relief to development. The speaker was glad to hear at the current session that joint programming would take place shortly. While the delegation agreed that UNDP should join in the effort to combat HIV/AIDS, it wondered whether more attention might be given to other diseases, notably malaria, for which the means of prevention and treatment were well known. The delegation also stressed the importance of incorporating elements supporting the advancement of women under the CCF.

181. One delegation agreed that Rwanda continued to face the short-term challenges of reintegration and reconstruction as well as the longer-term demands for economic and social development. Therefore, the delegation supported the emphasis of the UNDP framework on capacity-building and the reintegration of refugees and displaced persons. It also supported the UNDP focus on the significant burden placed on women-heads-of-households and was pleased to see that particular attention was given to women as one of the most vulnerable groups. The focus in the CCF on making basic education available to all was viewed favourably, as was the focus on the strengthening and rehabilitation of the judicial system. Ending the culture of impunity that allowed killing and other human rights abuses to continue and which inhibited further economic progress in the country was viewed as imperative. Donor coordination must remain a priority if development assistance was to have maximum impact. At a broad level, the round-table process was useful, but greater emphasis should be put on the importance of thematic consultations for sectoral programmes. The delegation stood ready to participate in those consultations and welcomed the updates provided about their timetables. They viewed UNDP support to the Government's demobilization programme as an essential way to assist in the development of the country while at the same time reducing the Government's expenditure on its armed forces. The delegation's Government had recently provided funds towards the programme and urged other donors to do so as well. The delegation inquired whether the measures for the alleviation of poverty aimed at food security, diversification of rural economic activity, improving agricultural production, urban and rural job creation, etc., would all be designed with the inclusion of a social impact assessment as a means of ensuring that there was full understanding of how the beneficiaries would be

affected, and participatory approaches would be used to identify needs and in programme design.

182. Another delegation stated that its Government's involvement in development cooperation in Rwanda was long-standing. It had been interrupted by the genocide of 1994, but was now progressively regaining its momentum. The delegation welcomed the joint discussion of the UNDP and UNFPA programmes, which had been made possible through harmonization of the UNDP, UNFPA and United Nations Children's Fund (UNICEF) programming cycles in Rwanda. The delegation was convinced that such a joint undertaking was of particular relevance in Rwanda, as it allowed for a more comprehensive and global approach to the difficult transition from emergency to rehabilitation and long-term development. The current transition required improved coordination between the Government and all of the agencies and donors involved, not only in terms of development cooperation but also in the area of emergency assistance, with a view to ensuring that short-term interventions did not compromise but rather prepared for long-term development. The delegation was pleased that the CCF focused on enhanced coordination in programming and was interested to learn more about the overall strategic framework mentioned in the document. What was its relation with coordination with United Nations specialized agencies and joint United Nations system programming? A substantial part of the delegation's Government's bilateral development assistance for Rwanda was currently being channelled through the United Nations development system. As a contributor to the Government of Rwanda's demobilization programme, the delegation requested information about the impact of that programme thus far. How many soldiers had been demobilized? Were there any lessons to be learned from similar programmes in other countries such as Mozambique? In addition, the delegation indicated that it would welcome close involvement in the monitoring of the demobilization programme and would like to receive a regular report containing the relevant statistics. The CCF provided an interesting example of a combination of core and non-core resources, the latter accounting for two thirds of the overall programme. What were the respective experiences to date, in particular with the UNDP Trust Fund for Rwanda? Were there any general lessons to be learned? One of the cross-cutting issues in the UNDP CCF and the UNFPA country programme was the combating of HIV/AIDS. Whereas UNFPA was concentrating on adolescent health, UNDP was targeting the socio-economic impact of the epidemic. The delegation asked how those two particular areas of focus were integrated into the national multi-donor-funded AIDS programme and if broad coverage of the various necessary elements to fight the epidemic had been ensured.

183. One delegation, speaking on behalf of another delegation, stated that there was a lack of information in the CCF about coordination arrangements in Rwanda, notably with Bretton Woods institutions. The delegation appreciated the information provided about the thematic groups but believed more information about coordination within the United Nations system and with other donors could have been contained in the CCF. The delegation noted the comments in the CCF about the relationship between the round-table process and the Consolidated Appeal Process and the recognition of the need to define the relationship further; the delegation fully agreed and asked for any comments UNDP might have on how this could be achieved. In addition, it was well known that the situation in Rwanda was very much dependent on the regional situation. There was not much information in the CCF on the subject. Also, in terms of areas of

focus in the CCF, the delegation was not convinced that training was a pressing issue. Agricultural extension and modernization also might not fall within the comparative advantages of UNDP; a more comprehensive reference to the respective roles of the Food and Agriculture Organization of the United Nations (FAO) and UNDP in the area would have been appreciated. The delegation was also not sure that access to credit was an appropriate area of focus for UNDP. As other delegations had stated, the urgent needs were for national reconciliation, ending the culture of impunity, and promoting ethnic reconciliation, so greater stress on those issues would have been preferable.

184. One delegation wished to acknowledge the work of the UNDP Resident Representative in Rwanda. Supporting the Government in reconstructing administrative and management capacity would be essential in the move to sustainable development. Rehabilitation and strengthening of the justice system were also key factors of long-term peace and reconciliation. The focus on women, including the widows of genocide, was to be commended. The delegation's Government was assisting the Government of Rwanda and UNDP in all of the above-mentioned areas. The food security sector was also of vital importance. In the short term, there might well be a severe difficulty in Rwanda, with FAO indicating a food deficit of 17,000 million tons. The resources required to implement the programmes under the CCF were considerable. Could UNDP provide specific information as to the precise timing and location of the next round table for Rwanda?

185. One delegation noted that the analysis of the situation in the country appeared to be correct in the CCF but perhaps too optimistic with regard to Rwanda's development prospects. Rwanda was a country with needs that greatly exceeded the resources that would be available, as was also the case for UNDP. It was necessary to establish clear priorities. Among the range of suggested activities in the framework, the delegation saw a particular slot for UNDP in the three following areas - capacity-building in planning and management for development, support for decentralization in administration, and strengthening of the judiciary system. Coordination of assistance continued to be a problem in Rwanda, one in which all of the players, whether bilateral or multilateral, had their share of responsibility. The delegation was encouraged by the information provided about the efforts under way within the United Nations system. The CCF document, however, mentioned only a few activities with UNHCR, FAO and the United Nations Educational, Scientific and Cultural Organization. The delegation was glad to note that cooperation appeared to be expanding. The situation of women should be a central element of all UNDP activities in the country and specific measures should be taken to ensure that there was follow-up and that the assessments and the reviews took into consideration this central aspect.

186. Another delegation was pleased that the UNDP programme was well aligned with the priorities of the Government of Rwanda. The priority placed on good governance and capacity-building, including of the judicial system, and the demobilization of soldiers, corresponded to the areas of development cooperation with Rwanda of the Government of the delegation. They were also the basis for the reintegration and rehabilitation of returned refugees and vulnerable groups. The delegation commended the increased emphasis on the inclusion of women in development in Rwanda. Given the difficult context of coordination of the

development efforts in the country, the delegation stressed the coordinating role of UNDP in the country.

187. One delegation stated that it believed that the stage of emergency relief might be over and that efforts should be directed towards sustainable development. The delegation supported the description of the present situation in Rwanda, shared the analysis of the fundamental problems in the country, and supported the proposed strategy of the CCF. Economic recovery, the revitalization of the rural economy and economic growth were imperative for social reconciliation. The delegation believed that the prevention and cure of the post-traumatic stress syndrome of victims of the genocide should also receive special consideration. The rehabilitation and strengthening of the justice system was viewed as a key factor in the rehabilitation of the rural economy. The delegation considered it to be important that UNDP had acknowledged the need to improve coordination within the United Nations system and with donors and Governments. Only then would UNDP interventions be efficient and effective. The thematic consultations were welcomed along with the efforts to develop a strategic framework. With regard to the experimental character of such thematic frameworks, and keeping in mind the humanitarian segment of the Economic and Social Council, could UNDP provide information on lessons learned so far? The creation of the joint UNDP/UNHCR reintegration programming unit fitted in well within the concept. The unit should assist the parties involved to work effectively towards more structural rather than emergency assistance. In addition, the delegation inquired how UNDP evaluated cooperation with the World Bank.

188. Another delegation noted that since Rwanda was at the stage of rehabilitation and reconciliation, the role and comparative advantage of UNDP was to keep the continuum between short- and long-term needs and to provide support in the area of governance and the coordination of assistance. Regarding the coordination of the mobilization of assistance, not only from the bilateral and multilateral donors but especially from the Bretton Woods institutions, the speaker had just attended a World Bank seminar on the eve of Africa in the twenty-first century. The World Bank had made positive remarks about participating in the round-table mechanism in Rwanda. The CCF did not provide precise information about that subject. Would UNDP elaborate its views on collaboration with Bretton Woods institutions? With regard to the United Nations Special Initiative on Africa (UNSIA), the Administrator had already mentioned at the current session that after a mission to the Great Lakes region, he would like to extend the Special Initiative. How would UNSIA apply to countries in special situations, especially Rwanda?

189. One delegation noted the considerable efforts of UNDP in stabilizing the situation in Rwanda after the genocide. Because of the crisis situation, some UNDP programmes were not being executed through national institutions and the UNDP country office was commended for its effective implementation role. The delegation endorsed the strategy and thematic areas of the CCF, especially strengthening capacity in the areas of security and the judicial system and support for demobilization of ex-combatants. The strategy and thematic areas fell within the priorities of the Government of Rwanda. Vocational training to ensure sustainable livelihoods for demobilized soldiers would certainly create an enabling environment for increased security. In view of the complexity of

the situation in Rwanda, the delegation hoped that additional efforts would be made by all United Nations agencies operating in the country to strengthen coordination and the optimal use of resources.

190. Another delegation took note with satisfaction of progress made since 1994 and the firm intention of UNDP to do everything possible to facilitate the transition from an emergency situation to a progressive return to normalcy. That process would require the building and strengthening of national capacities as well as increased cooperation and coordination of all the players present in the field at all levels. The delegation hoped that UNDP would continue to play an effective role in that area. In addition, the involvement of NGOs at all stages of the implementation of programmes was viewed as not only desirable but essential. Regarding modalities for programme execution, in the case of direct execution, in which sectors would this modality be applied? In the case of the development of human resources, an essential part of the programme, how did UNDP envisage filling the gap in Rwanda and with what agencies did it intend to cooperate? In the area of food security, the delegation shared the same doubts of another delegation with regard to the specific competence of UNDP in the area. Other organizations such as FAO and the International Fund for Agricultural Development were better equipped to work in the area. The delegation was more interested in significant progress being made in the areas of justice and security and programmes for demobilization and administrative decentralization.

191. The delegation of the Government of Rwanda expressed appreciation for the statement made earlier by the Administrator and the information provided by the Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, and the Resident Coordinator in Rwanda. There was a growing partnership between the Government of Rwanda and UNDP in addressing some of the problems the country faced - a partnership that found expression in the CCF, the first CCF for Rwanda. The delegation of Rwanda agreed with the situation analysis in the document, which reaffirmed the need for substantial resources at a level commensurate with the magnitude of the programmes identified in the report. The delegation was encouraged to note that the national capacities would be used increasingly wherever they were available, which would promote ownership of the programme and increase the capacity of Rwandans eventually to manage UNDP-funded programmes. The delegation stressed the need for capacity-building through increased training of Rwandans in the areas identified in the CCF. While direct execution of certain aspects of the programme would take place, the delegation hoped that the Executive Board would view it as an experiment and not as the final programme execution modality. Meanwhile, the Government of Rwanda would accept the proposal for direct execution and examine its effectiveness and impact over time.

192. The UNDP Resident Representative responded to the comments and questions of delegations. He noted that one speaker had said that UNDP might have been too optimistic about the interventions proposed in the CCF. What had been achieved in Rwanda in the last three years with the support of the international community and the Government had been remarkable and should be viewed as a solid building block towards good governance and the consolidation of achievements in other areas. There were several questions related to the justice sector. The rehabilitation of the justice system and security was unique in developing

countries. Considering the magnitude of the problem, the process of reconciliation might take many generations. But a positive element had been put into place - a fairer and more accountable judicial system. UNDP had collaborated in the support of training of the judiciary, the setting-up of the Ministry of Justice, including its infrastructure, the passing of legislation on genocide, and the passing of legislation on women's rights to property - all positive elements towards a better, just society. Much remained to be done, but what had been accomplished thus far was a good indication of the progress that might be made in the future. There was a strong commitment on the part of the Government and UNDP had been working very closely with an appointed parliament, which had proven in many instances to be an independent legislative body.

193. Some delegations had stated that technical and other education were not priorities. But the educational needs of the country were enormous. Over 200,000 primary and middle schoolchildren had returned to Rwanda in the last year and a half and no space existed for them in the country's school system, not to mention the linguistic problems associated with returnees. Also, there was only one university in the country. The lack of space for over 200,000 students might even exacerbate the challenges of reconciliation. UNDP had examined the education sector thoroughly through consultation with donors, the Government, and civil society. Because of the number of unskilled, untrained people in the country, education could do a great deal to help to give people a chance to move and find better jobs and other opportunities. UNDP had invested in setting up the Kigali Institute of Science and Technology and the other technical centres, middle schools and institutes of higher education in the country. In addition, UNDP had been attracting trained Rwandese from abroad to return through either the UNDP programme or bilateral or multilateral programmes, and was in the process of working out a Transfer of Knowledge through Expatriate Nationals (TOKTEN) programme to bring skilled Rwandese from abroad into the country. UNDP had also benefited from the work of a large number of United Nations Volunteers.

194. In the new programme for consolidation of the reintegration programme, UNDP was aligning NGOs and other civil society groups within the framework of the prefectures or local government authorities so as to increase government capacity rather than create parallel programmes. UNDP had also completed a number of short-term training programmes, including in the justice sector and other security areas, in order to enhance national capacity. Human resources development continued to be an important element, not only for economic development but also for reconciliation and reintegration. Almost half of Rwanda's current population had come from different countries with different backgrounds; most had been in the diaspora for more than 30 years. There were people who could only communicate in their local languages, people who spoke French, people who spoke English, people with whom UNDP could only communicate with an interpreter.

195. On UNAIDS, there was a thematic group in the country headed by both the World Health Organization and UNFPA, which included an expert from UNAIDS supported by the Office of the Resident Coordinator, the Ministry of Health, and local and international NGOs and bilateral donors present in the country. The thematic group did not only meet to exchange information but was intensively involved in implementing programmes, together with the Ministry of Health and

local governments. Recently, malaria had become a problem in the country. The same task force had been working to combat the disease and some generous support had been received in-country. UNDP was appealing to the international community for very limited resources for a short time to address the national epidemic.

196. On the strategic framework and the shift from relief to development, the Resident Coordinator stated that at the point when refugees had begun to return to the country one and a half years previously, UNDP had begun to reflect on the subject, even before the guidelines on strategic frameworks had been received. UNDP took the lead in initiating a joint mission with the World Bank to look at the impact of humanitarian assistance on the return of refugees and the ability of the economy and society to absorb them. In December 1996, a report was produced, which had been used as a basis for planning and consultations. The mission had looked not only at the absorptive capacity of the society and economy, but also at the impact the return of the refugees would have on the macroeconomic framework of the country. In cooperation with the Government, JCGP partners were then able to refine their roles in the country. United Nations agencies, Bretton Woods institutions and NGOs had set up thematic groups around the most critical areas, ranging from sectoral issues to defining policies to eventually setting up a joint committee made up of NGOs, the Government, and United Nations agencies, for which there was a full-time consultant from the Oxford Famine Relief Campaign (OXFAM). A national workshop on the strategic framework was planned for the middle or end of May 1998. However, this would not be an exercise parallel to the thematic consultations. Most of the documentation for the thematic consultations was ready and would be forwarded to the concerned parties shortly. The dates of the thematic consultations would be from May/June to September; details would be provided soon. It was hoped that the third round-table meeting would take place before the end of the year, following the thematic consultations, and when the international community would be in a position to review the results of actions taken over the year as well as the achievements of the second round-table meeting.

197. Regarding cooperation with Bretton Woods institutions, he noted that representatives of the institutions had not attended the aid coordination mechanism of thematic group meetings regularly. Their support and participation had been sought, but the relationship between United Nations organizations in the field and Bretton Woods institutions needed to be more clearly defined, especially in countries coming out of crisis.

198. In terms of needs assessments, UNDP, UNHCR, WFP and the Government were implementing area development programmes in a participatory manner, working in the communes at the sectoral level as well as at the village level to define the priorities of beneficiaries. On a wider scope, the process would also be the basic methodology for the consolidation of the reintegration programme. The Resident Coordinator also noted that the joint programming unit did not just include UNDP and UNHCR, but WFP as well. The unit was also discussing with UNICEF the possibility of membership in the unit. Eventually, the unit would become a United Nations planning unit, tapping local or headquarters resources and technical expertise from United Nations specialized agencies. To come back to the round-table process, the Resident Coordinator agreed that there was a need to define the Consolidated Appeal Process, the round-table mechanism, and

even the relationship between the round-table mechanism and the Consultative Group. Was Rwanda still considered to be a country in emergency and in need of consolidated appeals? And what were the constraints of that process?

199. Regarding direct execution, the Resident Coordinator wished to reassure the Executive Board, and particularly the representative of the Government of Rwanda, that the modality did not mean that UNDP would be doing the work itself - direct execution would be used as a management tool for the country office to choose from a wide range of implementing partners, in accordance with the capacity and the potential they offered. UNDP had not implemented any programmes in the country, but had been able to tap the resources available in the country or internationally; by June 1998, UNDP would reach 100 per cent in the implementation of all of its programmes funded by core or trust fund resources.

200. The Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, thanked delegations for their constructive comments and suggestions. With regard to the regional dimension of the situation, the Administrator had spoken earlier about his mission to the Great Lakes region. Rwanda's problems were similar to those of countries in the same area or "region". Therefore, there was a school of thought that there was a need for a regional approach in the Great Lakes area, which included Rwanda. There was also a possibility that UNDP could develop an initiative that would look at water, education, health, good governance, income-generating activities, and labour-intensive activities, which were areas of focus common to all of the countries in the Great Lakes region, and address them in terms of returnees, displaced persons, and vulnerable groups. The Government of Rwanda was keen to move ahead in that direction and to ensure that activities at the regional level were linked with national activities.

201. The Executive Board approved the first country cooperation framework for Rwanda (DP/CCF/RWA/1).

UNFPA assistance to the Government of Rwanda (DP/FPA/RWA/4)

202. Several delegations supported the proposed country programme and emphasized the importance of donor coordination. One delegation stated that it would welcome more detailed information on the Government's reaction to the programme. Another delegation was very pleased with the programme's emphasis on strengthening adolescent reproductive health and women's empowerment. It stressed the importance of furthering the advancement of women. The same delegation was satisfied with the substantive aspects of the programme, including the collaboration with other donors. Another delegation welcomed the harmonization of programmes by UNFPA and UNDP and stated that it would like to know more about the envisaged cooperation with other donors, including with regard to HIV/AIDS prevention. Citing paragraph 20 of the document, the delegation noted that the terminology pertaining to gender equity and equality did not conform with that of the Fourth World Conference on Women and should be amended.

203. Another delegation was pleased that the Fund would take the lead on adolescent reproductive health and focus attention on the issue of teen

pregnancy. One delegation inquired if consideration had been given to raising funds for Rwanda through the United Nations Foundation. Another delegation, noting that the situation of women in Rwanda was of great concern, was pleased with the Fund's focus on that area. Another delegation wondered if the demographic statistics on Rwanda were correct and noted that the provision of training in the area of reproductive health was of vital importance. The delegation was concerned that the programme, which seemed very ambitious, had a low budget. The delegation requested further information on the role of UNAIDS in Rwanda. Another delegation also asked for more information about inter-agency coordination on HIV/AIDS prevention, particularly in emergency situations. The delegation inquired as to how the lessons learned during the past cycle of assistance would be reflected in the new programme, and in particular, how South-South cooperation would be implemented.

204. One delegation asked about the criteria used to select the five prefectures where the programme would be implemented and inquired if assistance would be provided to other prefectures where the remaining 60 per cent of Rwanda's population resided. The delegation called attention to two different figures given for the maternal mortality rate, 210 per 100,000 live births on page 1 of the document and 800 per 100,000 live births on page 2, and wondered if such a deterioration could have occurred.

205. The delegation of Rwanda thanked the Executive Board, UNDP and UNFPA and underscored the need to increase training for capacity-building. The delegation noted that the proposed programme had been prepared in close collaboration with the Government. The delegation observed, however, that the document seemed to shy away from stating that the killings in 1994 were genocide and crimes against humanity. It added that the figure given in the document for the number of refugee returnees was incorrect.

206. The Director, Africa Division, thanked the delegations for their support and for their questions and comments. She noted that the UNDP Resident Coordinator had already provided a reply to the queries regarding HIV/AIDS prevention. She observed that UNFPA looked forward to working with Belgium in the area of adolescent reproductive health. She assured the Executive Board that the Fund would continue to provide support for women's empowerment and adolescent reproductive health. With regard to the question about terminology, she observed that the Fund had used the terminology from the Fourth World Conference on Women and would be willing to discuss it further after the meeting. She noted that a great deal of work needed to be done, including in the area of advocacy, regarding revision of the country's population policy. The Director stated that she did not consider the programme to be overambitious. She noted that the country's needs were great and the Fund hoped that its assistance would be catalytic and that other donors would also provide support. She indicated that the Fund supported South-South cooperation and Rwanda could be part of the East African Reproductive Health Network. She also noted that the South African Development Community (SADC) was setting up a population unit from which Rwanda could benefit. With regard to the selection of the prefectures, she stated that the criteria included population concentration, accessibility and security. She added that it was not possible for the Fund to cover all the prefectures because of inadequate resources. Concerning the use of the term genocide, she noted that in fact she had used the term in her

introductory remarks. With regard to the figures on the number of refugees, she stated that those figures constantly kept changing and the Fund had used the latest figures available at the time that the country programme was developed.

207. The Executive Board approved the country programme for Rwanda (DP/FPA/RWA/4).

C. Mali

First country cooperation framework for Mali (DP/CCF/MLI/1 and Corr.1)

208. The Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, presented the CCF for Mali to the Executive Board. Currently, Mali had some very positive development prospects. While Mali was one of the poorest countries in the world, the Government took development seriously and put combating poverty as its top priority. The health and education systems had been reviewed and 10-year plans for the two sectors would soon be presented. A large-scale decentralization process was under way and macroeconomic management and fiscal discipline were well established. In addition, Mali had managed to resolve an internal conflict peacefully and constructively. He observed that Mali was among the African countries where the percentage of women ministers was one of the highest. Although Mali had had difficulties during the elections held the previous year, certain sectors of society and certain people of goodwill had involved themselves to find a solution and the socio-political stability of the nation was in no way jeopardized. The strength of social capital in Mali was a key element in resolving the conflict in the north of the country. The CCF requested that UNDP continue to provide support for national efforts towards lasting peace. The Government also desired UNDP to provide technical assistance in support of a proposal on a moratorium on small arms in the Economic Community of West African States.

209. Mali had undertaken, with the Development Assistance Committee of the Organisation for Economic Cooperation and Development, to carry out a major exercise to make the development assistance system more effective and nationally owned. The challenge would be to reorganize and strengthen management procedures and coordination of international aid flows, which, in Mali's case, represented more than one quarter of its gross national product. In accordance with its mandate, UNDP had become a special partner in that exercise. In the CCF, the Government had requested that UNDP support the implementation of reforms recommended by the Development Assistance Committee's report. Intensive consultations would be held in the immediate future to plan and implement the proposals that arose out of the study.

210. The target and the substance of the CCF of Mali focused on sustainable human development. UNDP had been requested to focus on poverty reduction and good governance through the appropriate government structures addressing those areas. The Deputy Assistant Administrator mentioned that Mali was a pilot UNDAF country and that an UNDAF document would be available in June 1998. Moreover, the Government would shortly announce a date for the next round-table meeting in Geneva. Very likely it would be held at the end of June or early July, when the

national strategy to combat poverty, which was one of the central points of national policy and of the CCF, would be the main subject for discussion.

211. One delegation stated that it was pleased with the simultaneous consideration of the UNDP and UNFPA programmes for Mali, which made it possible to have a more complete picture of the efforts being carried out by the authorities in Mali to establish sustainable development. It also made it possible to see the consistency and complementarity of the actions of the two bodies. Regarding the preparation of the documents, the delegation inquired how the other donors had been involved, particularly at the field level, and how complementarity of the interventions was ensured. The Government of Mali had begun a determined effort to ensure good governance and combat poverty, as reflected in the CCF. The delegation noted positively that the priority interventions of UNDP and UNFPA met those concerns. With regard to the private sector, the CCF noted the establishment of a legal regulatory framework that would be flexible and contain built-in incentives. How would that programme fit in with a major programme relating to the private sector legal framework that was already under way? With regard to decentralization, the delegation asked how UNDP intended to involve municipalities and help to strengthen their competence following the elections.

212. Another delegation stated that it particularly appreciated the grass-roots private sector approach to addressing poverty alleviation. UNDP had been a strong ally of the programme of the delegation's Government to promote liberalization of the Malian economy. The delegation asked how the UNDAF process, which was being piloted in Mali, would affect programming decisions. The CCF indicated that there had been some problems in the use of the national execution modality. How was UNDP working to address those problems? And how did UNDP foresee the employment of civil society organizations, including NGOs and private sector entities, as executing agents? The CCF also noted that UNDP would continue to act as a facilitator and adviser on aid coordination and resource mobilization. How had UNDP assisted the Government in that respect? In addition, how would the programmes envisioned under the CCF interface with the United Nations Special Initiative on Africa? The delegation noted that UNDP and UNFPA had already collaborated on the implementation of the national population policy and the organization of a donor round table. The consideration of joint programming aimed at enhancing the status of women would be welcomed and it appeared that there was considerable potential for synergy in that regard. The delegation also questioned whether that was an area that could or would be examined in the UNDAF process.

213. One delegation noted that Mali's population in the UNDP document was listed as 9.2 million, while according to the UNFPA document, 10.8 million people lived in the country. The delegation would appreciate finding out which figure was correct. The delegation noted that the CCF brought to light the problem of refocusing interventions. UNDP intended to intervene in the areas of the productive sector and basic infrastructure, and the delegation wondered whether that was properly within the purview of UNDP. The delegation also noted that there were other organizations working in the area of eradicating guinea worm disease. UNDP was not the organization best placed to deal with the subject. In addition, the development of new activities to clean up urban and peri-urban

areas, new and renewable sources of energy, and small-scale mining were not appropriate areas of focus for UNDP.

214. Another delegation observed that since Mali was a pilot UNDAF country, it welcomed all the efforts made in that area. At the same time, the delegation would like to have an explanation of how the actual UNDAF was implemented in the field. The CCF also mentioned interventions in the area of sectoral investment programmes, and the delegation asked how UNDP would collaborate in the sectoral investment programmes or a joint programming process with the Bretton Woods institutions. The delegation also noted that it welcomed the collaborative work carried out between UNDP and UNFPA in implementing the national population policy in the area of AIDS. It asked for an explanation on the indication in the CCF of problems or constraints of the newly adopted programme approach and the use of the national execution modality. The CCF also mentioned that particular attention should be paid to technical cooperation among developing countries (TCDC). In what fields would the TCDC modality be appropriate?

215. One delegation noted that UNDP had in recent years been an important channel for its country's development cooperation with Mali. The speaker commended the good working relationship between UNDP and the Government of Mali. UNDP priority areas were well aligned with the country's own development priorities. The two priority areas - poverty elimination and good governance - also corresponded well to the priority areas of the speaker's Government. The Government of Mali had recently expressed a wish for stronger coordination of development efforts in the country. It was therefore important that UNDP continue to assist the Malian authorities in that area, within a sectoral approach and the framework provided by UNDAF.

216. One delegation stated that the CCF was an example of the cooperation of different funds and programmes in one framework. As the experiment with UNDAF took place, what were the lessons learned and how would they affect UNDP programming? Answers to those questions would assist in the development of a common framework for the World Bank and the United Nations system. The delegation would welcome the report on UNDAF scheduled to be available in June. The priorities of the CCF came close to the priorities of the delegation's Government in its own cooperation with Mali. However, the delegation expressed concern about coordination with other external donors in Mali. Apart from the CCF, UNDP should involve donors at an early stage, not just after a project had been formulated, in order to ask for a contribution. Furthermore, what was the added value of UNDP when a UNDP project became the financial responsibility of cost-sharing donors? Another problem was the tendency of UNDP to create additional project structures.

217. One delegation noted that lessons learned through past cooperation would benefit future programming and lessen the difficulties in implementing programmes while contributing to the strengthening of national execution. The delegation appreciated the focus on the important areas of poverty elimination, good governance, democracy, and post-conflict management and observed that those areas were similar to the focus of UNSIA. The delegation asked for more information about complementarity between the two programmes. The speaker also commended the participatory approach and the role of the private sector included in the programme. It was his delegation's hope that the harmonized programme

cycles of UNDP, UNFPA and UNICEF would lead to a greater degree of coordination and complementarity of programme activities, with a view to ensuring optimum use of resources, among other relevant United Nations bodies.

218. Another delegation observed that the situation analysis in the CCF was in line with the many different concerns and priorities of the Government of Mali, and congratulated UNDP on its close cooperation with local authorities, including civil society and the private sector. The delegation asked about the connection between the CCF, other country programmes and UNDAF. There were other documents that had not been addressed, such as the national strategy for the fight against poverty or the World Bank document on growth and development beyond the year 2000. Would the positions in those documents dovetail with UNDP activities in Mali? In addition, UNDP had been providing technical assistance in Mali for over 25 years. The delegation wondered if there were any intention to take stock of the situation and analyse results thus far, in order to draw upon lessons learned.

219. The UNDP Resident Representative and Resident Coordinator in Mali responded to delegations' comments and queries. Regarding the relationship between UNDAF and the CCF, the reality of the situation was that, following traditional practices, each of the United Nations funds and programmes in Mali had negotiated its own current programme with the Government. As delegations were aware, the Secretary-General had proposed the idea of UNDAF in 1997 as a pilot or "as if" exercise in a number of countries; thus, formally, the situation remained that of one programme per agency. The UNDAF was a parallel exercise, the results of which would be disseminated in June of the current year. The UNDP Resident Representative stated that he was not sure what mechanism would be used to present the results of the pilot exercises. However, the UNDAF exercise was well advanced in Mali, and a first draft of the framework had already been prepared. On 8 May there would be a meeting in Bamako, to which all were invited, to discuss the draft UNDAF and to make comments on the exercise. But the fact remained that the UNDAF would not provide a formal programming basis at that point in time. With regard to the World Bank, its full involvement and participation in the UNDAF exercise was very much appreciated, as was the case for the country strategy note (CSN) formally adopted by the Government the previous year. The CSN included the World Bank on an equal basis with United Nations agencies, as did the preparatory activities of the UNDAF. Of course, the World Bank had its own programming instrument, the country assistance strategy, which was not likely to be formally affected by the UNDAF, whatever happened in the future. The UNDP Resident Representative felt that it was everyone's hope at the field level that the UNDAF would eventually become the only programming document for the United Nations system in each country. Thus, it was possible that in the future, the representatives of programme country Governments would present their UNDAFs to the United Nations.

220. To address the process of preparing CCFs and related questions, the UNDP Resident Representative observed that the process was that UNDP prepared an advisory note addressed to the concerned Government, including a situation analysis and the UNDP views on the upcoming programme, which, in turn, the Government drew on in preparing the CCF. In late August 1997, there had been a major gathering in Bamako, at which all development partners, civil society, NGOs, and government ministries were invited to discuss a draft of the advisory

note for Mali. All views expressed at that meeting were taken into account in the preparation of the final version submitted to the Government. Subsequently, it was up to the Government to prepare its CCF. The Government had consulted UNDP on preparation of the CCF and a relationship between the advisory note and the CCF had been established. The concerns expressed in the advisory note were reflected in the Government's CCF.

221. With regard to questions about the private sector, there had been a sectoral round-table meeting on the subject in November 1996, a government-led exercise supported by UNDP. One of the outcomes of the sectoral meeting was a request for UNDP to continue to support the Government in the area of the private sector. The UNDP Resident Representative noted that there was a support programme at the level of the Ministry of Justice and the Ministry of Finance to harmonize what had been done in Mali on the regulatory framework within a broader framework; UNDP supported those efforts. Beyond that, UNDP had been requested to continue to promote efforts in the private sector arena in a variety of ways, which could certainly be reviewed to see if there were joint themes among the programmes.

222. A question was raised about the situation of municipalities in the process of decentralization. UNDP was awaiting the outcome of the municipal elections. Support was provided through the Government's decentralization mission, which would define how the local governments to be created shortly would operate, as well as their relationship with various financing sources, such as donors and the central Government. UNDP continued to help the mission define those modalities, and once the new municipal structures had been put in place, it would become clearer how UNDP would provide support in the future.

223. There were also some questions on national execution and the programme approach. There were certainly some problems with the national execution modality. It had been a priority and policy of the Government to proceed as rapidly as possible with national execution and some three quarters of the programme in the last year had been carried out under the national execution modality. Much more training needed to take place. The capacities of the government entities responsible for national execution were not always up to the required level; while many of the problems in that area had been resolved, their resolution was quite labour-intensive. Thus, there would be a much greater emphasis on training, which was necessary on a continuing basis, because of the turnover of government staff. UNDP favoured the strengthening of a central national execution support unit within the Government, which could take over the responsibility not only of training but also of supervising national executing agents' responsibilities. The programme approach was an extremely complex and difficult approach to master. In the abstract, it was logical and seemed doable, but in reality, it was an enormous challenge to elaborate such an analytically complex approach in a context where activities were ongoing and parameters changed from month to month. UNDP continued to work on the programme approach and hoped to manage to adopt it by the end of the year. Currently, there were groupings of activities in a programmatic manner, but each activity had its own formal management in a financial sense and all that could be done at the operational and substantive level was to ensure synergy and coherence between the different elements.

224. A project was envisaged to help manage the use of NGOs and civil society organizations as executing agents and to provide funds for those organizations, but it had not yet been launched. Both the country office and the Government were committed, contingent on the required government approval of specific organizations. The interface of the UNDP programme with UNSIA had been discussed and analysed at great length. UNSIA had been found to be an excellent framework, and the policies of the Government of Mali, which, in turn, were reflected in the UNDP programme, were commensurate with the goals of UNSIA, which validated much of the UNDP programme, especially in terms of sectoral strategies in several sectors, as described in the CCF. The UNDAF would address United Nations system-wide efforts to promote women's issues and women's participation.

225. Regarding the discrepancy between the population figures provided in the UNDP and UNFPA documents, a population census was under way, which would help to clarify the subject. Evidently, the different estimates were the result of the varying methodologies currently used; the common country assessment in the UNDAF would ensure that a single figure for the population of a country would be used throughout the United Nations system in the future. As for work to eradicate guinea worm disease, UNDP had been involved through a modest trust fund financed by an NGO from Malaysia for a particular guinea worm project. That project was coming to a close, but the Government had asked UNDP to continue to be involved in the preparation of a plan of action in the field, even though there were a number of other major actors involved. The UNDP interest in artisanal mining was a matter of protection of the environment. Serious environmental poisoning resulted from artisanal mining in Mali, which took place on a very large scale. One estimate said that 1 million people (10 per cent of the population) depended directly or indirectly on artisanal mining. Artisanal mining involved the use of chemicals that could be very harmful to the environment and UNDP had been asked to help to address that problem. In terms of the census, UNFPA was the major actor with the Government. UNDP had intended to provide financial support for the census but could not because of new financial restrictions. Regarding TCDC, the University of Mali and India, the Islamic Republic of Iran and Tunisia were currently collaborating in the area of agricultural research in a TCDC context. More generally, UNDP involvement in TCDC was related to the creation of databases for easy access, in order to set up TCDC-type relationships.

226. One delegation had inquired whether UNDP could involve donors earlier in consultations on the development of projects. As a matter of policy, UNDP always attempted to do that - the consultation processes between donors in Mali were extremely intense and at times, because there were so many meetings, the result had been that participation had not always been possible or at the appropriate level in every meeting. It was possible that at times a particular development partner might not be able to participate in a particular process, simply because there was nobody available to do so. As for the comment on UNDP building bureaucratic structures in projects, the Resident Representative expressed surprise, since UNDP took the injunction not to create new and parallel structures to those of the Government very seriously. UNDP always tried to work through existing structures - whether governmental or non-governmental. The only example he could think of when UNDP had not done so was in the area of the reintegration of the ex-combatants after the conflict in the north of Mali. A programme had been set up for the demobilization and

reintegration of ex-combatants, which cost $10 million and to which a number of countries had contributed. That was the only separate structure - by its nature time-bound - that was set up with UNDP funding, although it was under the authority of the Government, not UNDP. In the evaluation of the programme, its shortcomings were attributed to the fact that not enough money had been spent on administration of the programme, because in designing it the Government and UNDP had tried to be as economical as possible.

227. The Deputy Assistant Administrator, Regional Bureau for Africa, thanked the Executive Board for its support. He stressed that UNDP cooperation in Mali was strongly linked with the goals of UNSIA. On the subject of aid coordination and resource mobilization, he emphasized the importance of the joint Government/ Development Assistance Committee/UNDP aid review in terms of strengthening development coordination in Mali. He also emphasized the upcoming round-table meeting of donors, which UNDP hoped would, inter alia, establish a link between the aid review and the round-table process and be an important instrument to mobilize additional resources both for poverty issues and for the decentralization programme. UNDP would make every attempt to involve the donor community early in the programming process. Also, the aim of UNDP was to strengthen human and institutional capacity, not to create parallel structures in order to be able to implement projects faster.

228. One delegation wished to clarify its question on modalities for involvement of donors. There was no doubt that the organization of the meeting in August 1997 had led to the absence of certain donors. His delegation asked whether it would be the intention of UNDP in the future to involve representatives of donors in the annual reviews and the mid-term review of the programme. The delegation also stated that it was curious that in two official United Nations documents submitted at the same session of the UNDP/UNFPA Executive Board, there were two different figures for population. It would be desirable that when the documents were submitted there be harmonization of the figures.

229. The Resident Coordinator explained why the meeting referred to by the delegation was held on 30 August 1997. The calendar was very tight for preparation of the documents for the meeting. He stressed that all partners would be involved in all of the reviews of the programme.

230. The Executive Board approved the first country cooperation framework for Mali (DP/CCF/MLI/1 and Corr.1 (English only)).

UNFPA assistance to the Government of Mali (DP/FPA/MLI/4)

231. One delegation commented on the very high maternal mortality rate in the country and wondered if sufficient resources had been allocated to efforts to reduce it. The delegation added that in the document the term "gender equality" and not "gender equity" should be used. Another delegation asked how the proposed programme's implementation would relate to the United Nations Development Assistance Framework (UNDAF) process and noted that it would welcome joint programming among United Nations agencies to enhance the status of women. Another delegation inquired about the different population figures provided by UNFPA and UNDP. The delegation wondered if the UNFPA field office staffing was

adequate. The delegation added that it was pleased to note the reference to cooperation with the World Bank.

232. Another delegation commended the proposed programme's district-specific approach and the collaboration between the Fund and UNDP in implementing the national population policy. The delegation appreciated the Fund's contribution to the creation of the Office of the Commissioner for the Advancement of Women, which undertook activities to promote and enhance the status of women. The delegation asked if there would be inter-agency cooperation for the 1998 census. Another delegation endorsed the Fund's proposed programme, which would promote and advance reproductive health. The delegation was pleased with the exchanges of experience between Indonesia, Senegal and Mali, undertaken in the context of South-South cooperation. The delegation hoped that a high degree of complementarity and cooperation would prevail among the United Nations agencies active in the country.

233. In her response, the Director, Africa Division, noted that the UNDP Resident Representative had already responded to the query regarding the UNDAF process in Mali and the population figures. With regard to the figures on the maternal mortality rate, she observed that there had always been a variance between the United Nations figures and those used in-country. She hoped that as the methodologies became more refined the gaps in the figures would be closed. Regarding the staffing of the field office, she noted that it was no different from that in other countries. She added that national professional project personnel would be used to assist in programme monitoring and evaluation. The Director added that the Fund was collaborating with UNICEF, USAID and Canada on the 1998 census. Also there was an Inter-Agency Census Coordinating Committee at the global level to discuss issues relating to the conduct of censuses and resource mobilization. She added that UNFPA had endeavoured to ensure that both reproductive health and population were reflected in the health and education Sector Investment Programmes.

234. The Executive Board approved the country programme for Mali (DP/FPA/MLI/4 and Corr.1 (French only)).

235. The delegation of Mali thanked the Executive Board.

236. The delegation of the Government of Mali expressed its thanks to the Executive Board and to the secretariat for the excellent documentation made available. The delegation also commended the quality of the information provided by the Director of the Africa Division of UNFPA, the UNDP Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, and the UNDP Resident Representative/Resident Coordinator in Mali. The delegation thanked the Executive Board for its approval of the UNDP and UNFPA programmes. The delegation's Government would continue, with the support of its development partners, particularly UNDP and UNFPA, to implement its economic and social development programme for the well-being of the population of Mali. The Government had made combating poverty and good governance high priorities in its medium- and long-term policies for development. As noted by many speakers, the results already achieved in those areas were positive, illustrating the relevance of Mali's national projects and their consistency with the objectives set by UNDP and UNFPA. The delegation also expressed its satisfaction with the

dynamic and pragmatic action by the United Nations team in Bamako, particularly through the UNDAF, and with the committed and intelligent leadership of the UNDP Resident Representative.

VI. UNFPA: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

237. Under this agenda item, the Executive Board considered two sub-items, the recruitment of UNFPA country representatives and the criteria and mechanisms for budget adjustments in the event of any significant shortfall in income.

238. Concerning the first sub-item, the Executive Director reiterated how important the presence of country representatives was for the success of UNFPA programmes. She restated that the needs of the selected countries were real and noted that there was a golden opportunity for the world community to make real progress in promoting the implementation of the ICPD Programme of Action. In that regard, programme support from UNFPA was important and the presence of a UNFPA representative was critical. The Executive Director noted that members of the Executive Board had learned first-hand how small the Fund's offices were in programme countries and how dedicated and hardworking the staff were in those countries. She underscored that the seven posts to be recruited had already been approved by the Board in decision 97/26 and added that the Fund's financial situation was improving and thus justified moving ahead with filling the seven posts. With regard to the informal data sheet on the resource situation that had been circulated earlier, the Executive Director noted that an updated data sheet would be made available formally at the annual session of the Board.

239. One delegation, while agreeing with the need to fill the seven posts, considered the request to be very modest. The delegation noted that while it had been ready to approve the draft decision that had been introduced earlier, it now wished to table a new draft decision. It did so in the interest of the organization and not in its own national interest. The delegation observed that endorsing the filling of the seven posts would lead one or more donors to draw conclusions that could have an overall negative impact on the funding of UNFPA. The same delegation added that the financial information provided on the projected 1998 income included firm pledges, payments already made and some educated guesses on future contributions and that the figure of $345 million was less than half of the income projection of $720 million on which the biennial budget was based.

240. Following a brief discussion in which numerous delegations noted that a separate decision was not required on the matter and after a subsequent informal consultation among interested delegations, the Executive Board adopted the following decision:

98/8. Approval of recruitment of country representatives

The Executive Board

1. Recalls Executive Board decision 97/26;

2. Takes note of the Executive Director's comments together with the comments made by delegations on this matter;

3. Authorizes the Executive Director of UNFPA to begin recruitment of seven country representatives, as proposed in decision 97/26 in line with the availability of resources;

4. Requests the Executive Director to table in writing a financial update to the Board at its annual session.

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241. Following the adoption of the decision, the delegation that had introduced the second draft decision noted that it was very pleased with the outcome and that it formally withdrew its earlier draft decision.

242. One delegation noted that with the payment of a $25 million contribution by one country and with the statement by another that it would maintain its contribution at its previous level, the delegation interpreted the decision to mean that there was no need for the Executive Director to come back to the Executive Board on that matter.

243. Another delegation observed that its interpretation of paragraph 3 of the decision, as amended, was that at present the financial situation as described by the secretariat was not a basis for recruitment of seven new posts; the delegation referred in that regard to the statement that it had made after decision 97/26 had been adopted at the third regular session 1997, and looked forward to receiving additional information in the future about the Fund's budgetary situation.

244. One delegation clarified that its country's contribution in 1998 would be at the same level in national currency as in 1997.

245. Another delegation underscored that it understood that the consensus reached had included all the delegations that spoke after the decision had been adopted. The matter had therefore been decided by the Executive Board, and there was no need for the Executive Director of UNFPA to report back to the Board on paragraph 3 of the adopted decision. A request had been made of the Executive Director and that request was contained in paragraph 4 of the decision adopted by the Executive Board.

246. The President confirmed that the text of the decision as read out by the Vice-President of the Bureau had been very clear and the Executive Board had adopted the decision.

247. In accordance with Executive Board decision 97/26, the Deputy Executive Director (Policy and Administration) presented an oral report on the criteria and mechanisms for budget adjustments in the event of any significant shortfall in income. He reiterated the point made earlier by the Executive Director in her opening statement that resources were the key to programme delivery and essential for maintaining a critical mass and stability in staff capacity. Such capacity was vital for the Fund to carry out its mandated activities. The staff

complement was financed by the Fund's support budget. Historically, the support budget, in dollar terms, had grown marginally, in line with the increasing income of the Fund. Yet, such budget expenditures, as a percentage of income, had stayed within a relatively narrow range of around 16 to 20 per cent. In periods of resource constraints, UNFPA had been very judicious and proactive in containing costs in the budget without imperiling programme delivery or the stability of staffing capacity. The Fund was fully committed to continuing that in the future.

248. With regard to the criteria and mechanisms that the Fund would use to control and contain budget costs in line with resources, in the event of any significant shortfall in income, the Deputy Executive Director noted that the Fund would: (a) protect programme delivery while containing costs; (b) implement on a priority basis the essential components of the budget; (c) require beneficiaries of services to pay for their fair share, especially in the area of information materials; and (d) improve efficiency through intensifying ongoing efforts to streamline administrative procedures, enhance good management practices and increase the use of modern information technology.

249. In accordance with the above-mentioned criteria, the Fund would continue to: delay recruitment of staff as far as practicable, with a corresponding reduction in staff costs, i.e., optimize the post vacancy rate in a manner that could contain budget costs; extend the period between staff reassignments from one duty station to another, thereby reducing the corresponding shipment and installation costs; combine missions in one trip, thereby containing travel costs; and introduce and/or increase fees that individuals, groups, or organizations paid for UNFPA services, for example, procurement services, publications, seminars and research. The Deputy Executive Director noted that income derived from such fees would reduce the corresponding support budget costs. Additionally, the Fund would reorganize functions, activities or units with similar objectives and client focus; further streamline administrative and financial procedures to reduce the cost of delivering services and further deploy modern information technology to replace manual processes; and improve revenue collection ensuring that all income/contributions and debts owed were collected to maximize investment income. The Deputy Executive Director emphasized that the Fund's future depended in large part upon the resources mobilized and the support budget needed to carry out the Fund's mandate. Therefore, it was important to assess the support budget from a long-term perspective and to link fiscal discipline with the organization's required capacity for programme delivery.

250. One delegation, while appreciating the oral report, encouraged UNFPA to put in place, as a matter of sound management, several of the mechanisms mentioned in the Deputy Executive Director's report, even if there was no significant shortfall in resources. Another delegation asked whether it was possible for UNFPA to use the operational reserve if there was a sudden drop in income.

251. The Deputy Executive Director (Policy and Administration) agreed that several of the mechanisms listed should be a routine part of the management of UNFPA. He confirmed that the Fund was already exercising many of those measures. With regard to the question on the use of the operational reserve, he stated that while the Fund was legally authorized to draw down from the

operational reserve, it tried not to do so primarily by pursuing a more proactive programming process, namely, anticipating income as accurately as possible and containing the costs of the administrative budget. The Deputy Executive Director noted that in the past the Fund had dipped into the operational reserve on a few occasions.

252. The Executive Board took note of the oral report on the criteria and mechanisms for budget adjustments in the event of any significant shortfall in income.

VII. UNFPA: TECHNICAL SUPPORT SERVICES

253. In accordance with decision 97/27, the Executive Board reviewed the "Report on an assessment of the TSS specialist posts at headquarters and regional levels", a report on the outcome of an external evaluation of the Fund's Technical Support Services (TSS) specialist posts that had been undertaken in response to Executive Board decision 95/13. The review was conducted in relation to document DP/FPA/1997/16, which was presented to the Board at its third regular session in 1997.

254. In her introductory statement, the Deputy Executive Director (Programme) noted that the UNFPA TSS system was a unique arrangement in the United Nations system. Its uniqueness arose from its decentralized, multidisciplinary and inter-agency approach, anticipatory in many ways of the Secretary-General's reform initiatives. As a new system, it had faced many challenges in the first years of its development. UNFPA and its partner agencies had learned from that experience and had developed innovative responses, with the aim of better serving the needs of recipient countries.

255. The TSS system, at its first two levels - national expertise and the Country Support Teams (CSTs) - was well on track towards the achievement of its major goals, which included improving the national availability of technical knowledge, analysis and research for use in population programmes; accelerating national self-reliance through the use and development of national and regional expertise; and ensuring an integrated and coordinated multidisciplinary approach to population programmes. UNFPA offices reported that they were increasingly relying on national expertise for project development and implementation, and that CSTs had proved very effective in addressing multisectoral programme backstopping needs. However, at the third level of the TSS system - specialist posts at agency headquarters - improvements had been less noticeable and, in recent months, UNFPA and its partner agencies were concentrating their joint efforts on making improvements in that area.

256. One response had been the improvement of linkages between CST advisers and TSS specialists. Since mid-1997, the more widespread availability of the Internet had facilitated the frequent exchange of information and advice between TSS specialists, CST advisers and UNFPA staff, both in countries and at headquarters. UNFPA was working on a TSS website and other ways to improve communication within the TSS system. Thematic workshops would be undertaken to provide both TSS specialists and CST advisers with opportunities to discuss priority population issues in a multidisciplinary way. In a second response,

the agencies had gradually expanded the substantive resources of the TSS system by providing increased access to a variety of technical advice and inputs, within their own regular programme activities.

257. A third notable response was the establishment by UNFPA, in mid-January 1998, of a Coordination Branch as one of three branches of the Fund's new Technical and Policy Division (TPD). The Coordination Branch was responsible for the policy, management and substantive coordination of the TSS system. It promoted discussions on substantive and policy issues and greater collaborative undertakings within the system. It would support and monitor the work of the TSS specialists, including reviewing their annual work plans. The Branch would periodically issue "TSS Updates", highlighting interesting developments in the system. The Deputy Executive Director stressed that the TSS system could not perform effectively without its third level of expertise. TSS specialists were needed to undertake interregional comparisons and conduct multiregional analyses. Through their state-of-the-art reviews, technical backstopping, and advocacy work, they played a critical role in ensuring that the TSS system as a whole better served the recipient countries. Significant improvements at the third level of the TSS system would be achieved by the ongoing efforts to streamline the specialists' functions, strengthen work plan coordination, and improve collaboration among CST advisers and TSS specialists.

258. The Deputy Executive Director reported that owing to communication problems and an insufficient critical mass of staff, the sub-teams for the countries of Central Asia and the Caribbean had not performed as effectively as had been hoped for; hence it had been decided that the concerned countries would be better served from the larger teams. She informed the Executive Board that the sub-teams would be relocated back to their respective base CSTs. Also, the Fund planned to move the CST in Santiago, Chile, to Mexico City, in order to make services more readily available to the countries most in need, which were primarily countries in the Caribbean and Central America.

259. Several delegations appreciated the introductory statement of the Deputy Executive Director (Programme) and the informal briefing that had been organized earlier; however, they were disappointed that no new documentation had been prepared on the TSS system. Numerous delegations welcomed the fact that the newly established Coordination Branch in the Technical and Policy Division of UNFPA would coordinate and monitor TSS arrangements. Some delegations asked that the Executive Board be kept informed of improvements and progress.

260. One delegation, also on behalf of another, noted that certain criticisms raised in the January 1997 evaluation report had not been responded to, which led to doubts on the cost-efficiency ratio of the TSS specialists. Areas that needed further clarification included the terms of reference for recruitment and the command chain for the system. The delegation stated that the technical experts seemed to devote less than 30 per cent of their time to technical backstopping and about 60 per cent to inter-agency advocacy. The delegation preferred that that ratio be reversed. The same delegation asked about the five TSS posts at United Nations Headquarters and enquired about the nature of the work. The delegation added that it would like to support TSS activities in principle under two conditions: (a) relationships between the different actors of the TSS system should be clearly defined and a clear mandate be assigned to

the TSS and (b) the cost of the TSS should be strictly limited for UNFPA. The TSS system should be a transitory process aiming at a real transfer of competencies. The delegation recommended that an agreement on the role of TSS specialists be signed between UNFPA and the other United Nations agencies.

261. Another delegation appreciated the attention focused on the TSS specialists during recent months but noted that the concerns raised in the external evaluation of the TSS system had not yet been answered. The delegation noted that it was important to ask certain questions again: What was expected from the TSS system? Were the present arrangements the most workable? Were there alternatives? Were there incompatibilities in the system? The delegation added that the TSS system should be viewed not solely as a UNFPA responsibility, but due consideration should be given to the role and responsibilities of partner agencies. Another delegation recognized that it was not an easy task to lead the way in the change process and appreciated the fact that improvements made following the findings of the external evaluation had benefited the partner agencies.

262. One delegation stated that the TSS system was a very important issue and that providing technical support to field operations and advocating for population issues in the TSS partner agencies were keys to the success of UNFPA country programmes and to the broader effort of the United Nations system to support the goals of the International Conference on Population and Development (ICPD). Noting that the budget imposed constraints on UNFPA field operations, the delegation observed that the Fund could not afford the TSS system that had been described in the external evaluation of 1996. The delegation added that the CSTs, and those TSS specialists closest to field operations, seemed to function relatively well; however, there appeared to be a lack of focus as regards the functions, work plans and oversight of TSS specialists at agency headquarters. The delegation welcomed the setting up of the UNFPA Coordination Branch and asked that there be a better flow of information to the Executive Board on TSS system changes and performance. The delegation recommended that UNFPA and the partner agencies use the ICPD+5 preparatory process to rethink the future shape and functioning of the TSS system. The same delegation stated that the partner agencies should also move towards fully integrating population perspectives in their strategies and develop in-house technical capacity in that regard. The delegation supported funding the TSS through 1999, and added that before the Executive Board took up the next biennial budget, UNFPA should provide proposals for a future system that provided technical backstopping and advocacy and was cost-effective, performance-driven and focused on field operations.

263. Another delegation, while noting that it had observed recent improvement in the functioning of the TSS system, underlined the following: in reviewing the TSS specialists posts, the Executive Board should focus not only on management and coordination issues but should explore structural problems; and the operationalization of the CSTs had shown remarkable improvement in the technical support provided to UNFPA country programmes and should be strengthened. The same delegation asked if TSS specialists provided direct technical support to countries as did the CSTs and, if so, what percentage of their work constituted such support. The delegation suggested that in 1999 the TSS specialist posts should remain at the 1998 level and requested the Executive Director to

re-evaluate the TSS system in 1999 and seek a packaged solution to the issues pertaining to the TSS specialists.

264. One delegation stated that it attached great importance to the TSS system, which had the potential to bring value-added to the Fund and its partner agencies, provided that it was well designed and well administered. While noting that according to the findings of the external evaluation the system was suboptimal, the delegation was encouraged that several improvements had been made to address the shortcomings noted in the evaluation. The same delegation stated that it was ready to recommend that the current agreement on the TSS be extended, on a temporary basis, through 1999; however, full consideration should be given to the following issues: (a) streamlining procedures; (b) increasing coordination and rationalizing current arrangements with partner agencies; (c) increasing efforts to recruit high-quality candidates for TSS posts and ensuring orientation training for them; (d) establishing clear agreements with agencies with mutually agreed-upon goals; and (e) providing the Executive Board with a report illustrating the progress being made. The delegation concluded that an enhanced TSS system, developed in a more holistic way, could have a more synergistic effect among partner agencies and contribute to addressing ICPD follow-up in a more coherent manner.

265. Another delegation, noting that the TSS system was an important mechanism for ICPD follow-up, expressed concern regarding the functioning of the TSS specialist posts and urged UNFPA and its partner agencies to take up the issues seriously and keep the Executive Board informed about improvements achieved. The delegation stated that it was important for each partner agency to internalize the activities carried out by the TSS specialists and to internalize ICPD follow-up. The delegation noted that it was prepared to authorize funding of the TSS specialist posts up to the end of 1999, on condition that the Executive Board receive a report from UNFPA on a thorough overall review of the TSS system, particularly the TSS specialists posts located at the headquarters of partner agencies. The delegation wished to be kept informed of improvements and was interested in formal or informal progress reports.

266. One delegation stated that the TSS could be an important instrument in making population issues well known and accepted throughout the United Nations system and in countries. The delegation noted that it had expected an analytical document prepared on the basis of the evaluation report and the Executive Board's discussion on the TSS at its third regular session 1997. The delegation observed that while some positive changes had been reported in the introductory remarks and at the informal briefing, fundamental issues had not been dealt with. The main problem appeared to be the unclear mandate of the TSS specialists at agency headquarters. Another problem was that agencies other than UNFPA had failed to incorporate population issues in their own policies; they regarded population matters as the Fund's business. The same delegation underscored that in the coming year, before the celebration of ICPD+5, a better arrangement should be made to ensure that population issues were taken seriously by all agencies and organizations of the United Nations, including UNDP and UNICEF.

267. While appreciating the informal briefing and the useful update provided by UNFPA, one delegation noted that the purpose, role and function of the TSS

specialist posts still remained unclear. The delegation stated that it was not evident that the TSS specialists were carrying out the synthesizing, lesson-learning and disseminating role that had been expected. UNFPA and partner agencies needed to reach agreement on explicit and clear outcome-oriented expectations associated with the TSS specialist posts. Otherwise, it would be difficult to judge the effectiveness and value-added of those posts. The delegation wished to learn more about the role of the Coordination Branch in improving the coherence, coordination and outcomes of the TSS system. The same delegation added that UNFPA country programmes and the CSTs needed to be able to access the best available advice and should have the ability to obtain know-how from the TSS specialists or any other source. The delegation stated that recommendations for strengthening the TSS system should be based on a thorough consideration and appraisal of: the purpose of the TSS system, particularly the TSS specialist posts; the effectiveness and value-added of current arrangements; the needs of priority programme countries; and alternative options for securing expertise and advice needed by CSTs and country programmes.

268. Another delegation noted that the TSS system was useful in strengthening technical capacity and essential in contributing important research work and disseminating, between and among regions, lessons learned. The delegation added that the TSS specialists played an important role in providing an interregional perspective and links with the debates going on within their respective agencies. The same delegation stated that it was important to overhaul the system to enable it to achieve its intended goals and added that there was a need to address the question of how the system would be funded after 1999. The delegation asked how the feedback mechanism functioned within the system, i.e., how expertise and materials gained at the country and subregional levels were fed back to the third level of the TSS in order to inform policy-formulation at the headquarters level; how was feedback coordinated to ensure complementarity of policies among the partner agencies; and how did the Fund propose to institutionalize and assess coordination, the flow of communication and an effective feedback system.

269. The representative of the Food and Agriculture Organization of the United Nations (FAO) made a joint statement on behalf of the International Labour Organization (ILO), the World Health Organization, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and FAO, the specialized agencies that were partners in the TSS system. He noted that the specialized agencies were united in their commitment to the success of the integrated TSS system, which they saw as a pioneering effort and a cost-effective tool for building national capacity in the field of population and reproductive health. He observed that the TSS system was an evolving one, and in recent months several changes had been introduced. He added that the originality of the system lay in the bringing together of normative and operational functions in multisectoral and multidisciplinary ways to provide the best assistance to programme countries. Following the independent evaluation, agreement had been reached among all partners of the system on the urgent need to implement measures for integrating the TSS specialist posts within the system, thereby ensuring effective linkage with the CSTs. To this end, a number of activities and experiments were under way and were described in the publication from the four agencies that had been made available to the Executive Board. The representative stated that the TSS specialists systematically

identified and prioritized CST needs through mutual consultations, thematic workshops and seminars. Once a priority need had been identified the agencies set up a TSS specialist team tailored to meet the need, by pooling together the available multidisciplinary experience and expertise in order to produce a draft normative paper with operational recommendations. A dialogue then ensued with interested CST advisers through whom the normative and operational issues were refined. He noted that the agencies were now working more collaboratively in efforts to provide comprehensive, coherent and synchronized support to the CSTs. He observed that no alternative mechanism, at present, could achieve that in a more cost-effective way and added that with the establishment of a Coordination Branch at UNFPA, collaboration and working methods would be further systematized. He stated that the TSS specialist level was a valuable tool to enhance the performance of the TSS system and that TSS specialists were the frontline of population advocacy. Furthermore, the three-level system was a powerful and increasingly valuable tool for the implementation of the ICPD Programme of Action.

270. The representative of ILO, in addressing two of the issues raised during the discussion, noted that with regard to the value-added offered by the third level of the TSS, the specialists at agency headquarters added an interregional perspective to the work of the CSTs, as well as to country-level programmes. In addition to contributing to the knowledge base from each agency's perspective, the third level provided a means of utilizing the specific channels of each individual agency to address the population agenda. With regard to the issue of the coordination of the work plans and mandates of the TSS specialists at agency headquarters, the representative noted that with the establishment of the Coordination Branch at UNFPA, a mechanism was available for reviewing, coordinating and harmonizing the work plans of the TSS specialists. Synthesizing information and lessons learned and disseminating that and other technical information remained a specific responsibility of the TSS specialists.

271. One delegation affirmed support for UNFPA efforts on the TSS system and stated that having had the opportunity to conduct a close assessment of the CST in Thailand it could confirm that the system worked well. The delegation added that the existence of the TSS had enabled UNFPA to accelerate and increase the formulation and delivery of quality programmes.

272. In her response, the Deputy Executive Director (Programme) thanked the delegations for their questions and comments and apologized that no new documentation on the TSS had been prepared, as the Fund had understood that there would be a discussion of the two earlier reports and an oral update on progress achieved. She added that, as requested by several delegations, the Fund would, in the future, and on an informal basis, keep the Executive Board updated on progress made in the TSS system. She underscored that the TSS system was not static and was supposed to be flexible in order to accommodate the changing needs of countries. She noted that as the end of the second phase of the TSS system approached, it was an appropriate time for a critical look at the options available, bearing in mind the best way to reach the goals of the system, particularly the key goal of national capacity-building. Thus, the Fund would examine the purposes, options and effectiveness of the TSS system. The Deputy Executive Director welcomed any suggestions the Executive Board might have in that regard. She noted that the job descriptions of the TSS specialists

had been revised to focus more on the technical backstopping aspect. With reference to the question on TSS direct support to countries, the Deputy Executive Director noted that the prime role of the TSS specialists was to provide support to the CSTs. If they did become involved at the country level it ought to be for capacity-building, preferably in the form of training activities that benefited more than one country. Regarding the query on feedback, she stated that the CST advisers sent mission reports to their respective agencies; also, increasingly, they were preparing papers and noting lessons learned which were shared with the agencies. Those were some of the ways in which inputs and information from the country level were conveyed to the third level of the TSS system. She added that further attention would be given to enhancing the drawing, synthesizing and disseminating of lessons learned, which would be done more systematically with the establishment of the Coordination Branch. With regard to the query on the five posts at United Nations Headquarters, she informed the Executive Board that two posts were in the Population Division and three were in the Statistical Division. The two posts in the Population Division specialized in population and socio-economic policies and in the causes and consequences of population trends and variables. Those in the Statistical Division specialized in census survey methodologies, population information systems, and sampling. She added that originally there had been 12 posts but they had been reduced to 5.

273. The Director of the Technical and Policy Division informed the Executive Board that the Coordination Branch in TPD had been established to coordinate technical inputs within the Fund and also with other agencies and NGOs. The major function assigned to the Branch was to coordinate the activities of the TSS system, ensuring focused backstopping provided by the TSS specialists and the staff of TPD and the Fund's Geographical Divisions. Communication and information exchange would be enhanced through periodic release of TSS Updates and through the creation and use of a TSS website. He added that there was regular contact with the specialized agencies through the work plans, technical meetings and thematic workshops. Plans were under way to synthesize information from the progress reports of the eight CSTs and to issue, every six months, analytical reports on major emerging issues and lessons learned. The Coordination Branch would also disseminate to the CSTs and TSS specialists information on new technical developments of relevance for policy and would initiate, review and publish technical and policy papers and other relevant analyses in support of country programmes, prepared by members of the TSS/CST. In addition, it would explore avenues for mobilizing support for population programmes within the various departments and divisions of the specialized agencies participating in the TSS system. The Branch would also serve as the secretariat of the inter-agency task force that met annually to coordinate activities of the TSS system. Recruitment of the best qualified candidates for the TSS system remained a function of the Branch, and a transparent process would be ensured. The Director added that for certain areas, such as logistics management systems, consideration would be given to involving the private sector and NGOs providing support to the CSTs. He informed the Board that the periodic reports, papers and updates produced would also be made available to the Board.

274. The representative of UNESCO noted that his organization was fully committed to the implementation of the ICPD Programme of Action and to an effective and successful TSS partnership. He noted that education was a key

component of all the programmes and plans of action emerging from the recent major United Nations conferences. He stressed that population was a key concern not just for sustainable development but for all who were a part of the United Nations system, and looked forward to working with UNFPA on the challenges that lay ahead.

275. One delegation inquired about the discontinuation of the CST sub-team for the countries of Central Asia and wondered whether the CST based in Kathmandu, Nepal, would be able to serve the needs of those countries. Another delegation underscored the need to have transparency in the appointment of TSS experts, both national and international, and stated that all agencies must ensure a rational and transparent process. One delegation thanked the FAO representative for making a joint statement on behalf of four agencies and stated that it was encouraged by the reform spirit reflected in the joint statement.

276. In responding to the query regarding the CST sub-team in Kazakhstan, the Deputy Executive Director (Programme) noted that the Fund had found that the process of utilizing sub-teams was cumbersome and that their small size did not allow for the critical mass necessary for the required multidisciplinary interaction. Thus, the sub-team based in Kazakhstan would join its base CST in Kathmandu, Nepal, and thereby enable the countries served to benefit from the expertise of a larger multidisciplinary team. With regard to the question relating to transparency in recruitment, the Deputy Executive Director stated that within the United Nations system, the TSS system was quite unique in that UNFPA and the partner agencies had to jointly agree on the candidates being recruited for the TSS and the CSTs. Also, UNFPA contributed, formally and informally, to the assessment of TSS and CST staff. She added that this contributed to a uniquely open, transparent and collaborative recruitment process.

277. The Executive Board adopted the following decision:

98/6. UNFPA technical support services

The Executive Board

1. Takes note of the Report on an Assessment of the Technical Support Services (TSS) Specialist Posts at Headquarters and Regional Levels (an independent evaluation report prepared for the United Nations Population Fund in 1997) and of the report of the Executive Director on the UNFPA technical support services system (DP/FPA/1997/16), submitted to the Executive Board at its third regular session 1997, and in light of Executive Board decision 97/27;

2. Authorizes the continued funding of the TSS specialist posts until 31 December 1999 as proposed in document DP/FPA/1997/16;

3. Requests the Executive Director of the United Nations Population Fund to continue actively to seek workable solutions to the concerns raised in the independent evaluation report in dialogue with partner organizations, in particular on coordination, accountability, the communication between the three

levels of the system and advocacy function of TSS specialists in the partner organizations;

4. Also requests the Executive Director of the United Nations Population Fund to submit at the second regular session 1999 a brief progress report on the effectiveness of the improvements that have been implemented in the operation of the TSS system since the third regular session 1997;

5. Invites the Executive Director of the United Nations Population Fund, in light of the recommendations arising from the ICPD+5 process and in consultation with partner agencies, to develop future options for (a) providing specialist support and advice to country support teams and country programmes through arrangements that utilize the best expertise available within the United Nations system and from other sources and (b) enhancing the involvement and contribution of relevant United Nations specialized agencies in taking forward and promoting the ICPD agenda;

6. Requests the Executive Director of the United Nations Population Fund to present these proposals in a report, including an analysis of the financial and budgetary aspects, to the Executive Board at its third regular session in 1999.

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VIII. UNFPA: STAFF TRAINING ACTIVITIES

278. In accordance with Executive Board decision 97/29, the Deputy Executive Director (Policy and Administration) presented an oral report on the status of staff training at UNFPA, focusing on recent developments and new directions that were envisioned. Recalling some of the main findings and recommendations of a 1996 evaluation of the Fund's training activities, the Deputy Executive Director reported that the Fund's staff training programme for 1997 had been designed taking those recommendations into consideration. The programme included the following initiatives: (a) internal reviews of existing training curricula, to match the upgrading of skills and competencies to meet organizational priorities, with an emphasis on the training needs of field staff; (b) a structured induction briefing/training programme for newly recruited UNFPA representatives; (c) a curriculum to build skills in applying the logical framework (logframe) in the programming process, and a training-of-trainers curriculum for cascade training on the logical framework; (d) the organization of a series of cost-effective regional workshops in the field for field staff and Country Support Team advisers on the logical framework; (e) collaboration with the United Nations Staff College in Turin, Italy, to develop a training package for field staff on implementation of the ICPD Programme of Action; and (f) the offering of a distance-learning package entitled "The Capable Manager" offered by the Open University in conjunction with the United Nations Staff College.

279. Additionally, with the aim of making training/learning a more holistic activity involving all staff, the role of managers and supervisors in providing on-the-job training and coaching had been reinforced. Managers and supervisors

would now be increasingly responsible for fostering a learning environment, providing constant mentoring and assessing the impact of structured training on the job performance of staff members (in accordance with the performance appraisal review process). To facilitate that development, a portion of the field training budget had been decentralized in 1997, and UNFPA representatives had been given the authority to approve and authorize funds for local training activities.

280 In addition, at the beginning of 1998, the Office of Personnel and Training was established to oversee and coordinate the development of the Fund's human resources. The Fund planned to undertake a core competency study that would enable the development of a training strategy based on organizational needs. The revision of the training guidelines had nearly been completed. An evaluation of the Fund's training activities would be undertaken every two years, in line with the biennium budget cycle. These evaluations would also assess the cost-effectiveness of training/learning activities undertaken and their impact on the knowledge and performance of staff members. In that regard, the Training Branch had begun an internal evaluation of the logframe training conducted in 1997. New approaches in training were also being developed. For example, a computer-based training programme for financial and budgetary matters had been piloted, as well as distance training modules on specific management areas.

281. The Deputy Executive Director (Policy and Administration) concluded by noting that stronger links with other United Nations training programmes were being fostered through participation in inter-agency training. For example, UNFPA representatives continued to attend courses on management of field coordination organized by the United Nations Staff College in Turin, Italy; and the Fund's Training Branch, together with member organizations of the United Nations Development Group, had participated in the training of the United Nations Development Assistance Framework (UNDAF) focal persons and had conducted UNDAF training in the pilot countries.

282. During the ensuing discussion, one delegation stated that it was particularly encouraged by the progress made on the logical framework training and the cascading of that training throughout the organization. The delegation expressed interest in receiving additional information on the internal evaluation of the logical framework training. Another delegation, noting that the Fund had taken a good step forward regarding staff training activities, inquired about follow-up and supervision of staff members once they had been trained. Another delegation was also pleased with the progress made and stated that the training initiatives being undertaken by the Fund were impressive. The delegation was encouraged by the incorporation of the logical framework analysis in the Fund's training. The same delegation emphasized the importance of matching people to the jobs that they performed and added that it was also important to obtain retro-feedback, for example, through the 360 degree exercise whereby both managers and subordinate staff assessed each others' performance. Such an exercise was under way in the delegation's country and had proved very useful. The delegation inquired as to what measures had been undertaken to prepare staff for United Nations reform.

283. Noting that the oral report had been very good, one delegation asked if a cost-benefit analysis of training had been undertaken. With regard to the distance-learning package entitled "The Capable Manager", the delegation inquired if the training was tailored to the management of UNFPA, and added that training in accounting and auditing for field staff would be of great benefit. The same delegation emphasized the responsibility of managers to ensure that their staff received training. In particular, training national staff would enable them to take over the functions of the international posts and thus help to reduce UNFPA expenditures. Another delegation observed that training had a lot to do with recruitment and noted that in developing countries there was a shortage of highly qualified people. The delegation wondered if the current emphasis on the provision of training would help to open the way for more recruitment of people from developing countries. Another delegation noted that on a recent field visit to Lebanon, the Executive Board team had been very impressed by the leadership of the UNDP resident representative in empowering the local staff through training. The delegation emphasized that every head of agency in the field should be committed to providing staff training.

284. In his response, the Deputy Executive Director (Policy and Administration) thanked delegations for their comments and questions. He thanked in particular the delegation of the United Kingdom for the generous financial and technical support that the Government of the United Kingdom had provided to UNFPA for the introduction of the logical framework training. With regard to the evaluation of training in general, he noted that the measure instituted was the performance appraisal review, in the course of which training needs as well as the results of training were assessed. He added that he would be most interested in learning about the experience with retro-training which had been mentioned by another delegate. The Deputy Executive Director noted that the Fund's senior management had discussed the 360 degree exercise and it had been used selectively in the Fund's management training programme but had not yet been applied more generally to the performance appraisal review process. With regard to a cost-benefit analysis of training, he welcomed learning more about an appropriate methodology for it. He observed that the extension of training programmes to the field level facilitated the recruitment of local staff. The Fund had included logframe training for programme managers in recipient countries and hoped to expand training for national counterparts in programme countries. The Deputy Executive Director expressed his appreciation for the positive comments made regarding the key role of the UNDP resident representative in Lebanon in encouraging staff training and added that the resident representative also served as the UNFPA representative.

285. Responding to the query on the logical framework, the Chief of the Office for Personnel and Training noted that the follow-up evaluation of 1997 logframe training had commenced, and questionnaires had been sent out to approximately 50 field office staff who had participated in the training. Responses to the questionnaires received to date indicated that field office staff had formally briefed national counterparts on their return, in the following countries: Algeria, Cambodia, China, Ghana, Lesotho, Malaysia, Morocco, Peru, Thailand, Togo, Tunisia and Zimbabwe. He added that an unprecedented number of country programmes had been submitted in 1997 to the Executive Board for approval, and responses to the questionnaires indicated that the logframe training had proved to be most useful in assisting field staff in developing subprogrammes. UNFPA

Country Support Teams had received logframe training in 1997 and were also provided with training-of-trainer skills to facilitate cascade training. In March 1998, at a regional logframe training workshop for field office staff from the Asia and Pacific region, selected Country Support Team staff from the teams based in Fiji, Nepal and Thailand served as co-trainers. At the request of UNFPA representatives, Country Support Team staff members were also conducting in-country workshops for nationals.

286. The Executive Board took note of the oral report of the Deputy Executive Director (Policy and Administration) on the implementation of evaluation recommendations on staff training activities.

IX. UNFPA: RESOURCE MOBILIZATION

287. Following the introduction of this item at the third regular session 1997, the Executive Board had decided to continue consideration of it at its second regular session 1998. The Board had before it the following documents: "Meeting the goals of the ICPD: Consequences of resource shortfalls up to the year 2000" (DP/FPA/1997/12 and DP/FPA/1997/12 (Annex)) and "Mobilizing resources now and for the future: UNFPA's strategy" (DP/FPA/1998/CRP.2).

288. In introducing the conference room paper "Mobilizing resources now and for the future: UNFPA's strategy", the Executive Director noted that it had been prepared at the suggestion of some Board members as a follow-up to the annual donor consultation on resource mobilization, which had taken place on 20 February 1998, at UNFPA headquarters. She noted that the paper reiterated sound resource targets established at the International Conference on Population and Development (ICPD), linked those resource targets to the Fund's resource goals and showed the benefits that would be realized if those targets were met. The paper also provided a general time-frame for UNFPA resource targets, including what would be required for the Fund to absorb the targets it had established, and set forth a series of proposals for strengthening the Fund's resource mobilization efforts. The Executive Director added that the paper reviewed the Fund's resource mobilization strategy and its global communication strategy, both of which were aimed at mobilizing population resources globally from programme and donor countries, as well as from private sources. She stressed that all countries must make a strong effort to reach the financial goals agreed to at ICPD. For UNFPA specifically, the Executive Director asked the Executive Board to help to ensure predictable and increased funding, timely payments, multi-year pledges when possible, as well as early announcement and payment of pledges. She also asked that resource mobilization become an annual agenda item for the Executive Board.

289. The Executive Director then briefly reintroduced the report "Meeting the goals of the ICPD: Consequences of resource shortfalls up to the year 2000" (DP/FPA/1998/CRP.2), which had been presented to the Executive Board at its third regular session 1997. She noted that while that report looked at the negative consequences of resource shortfalls, the conference room paper contained a section on the positive consequences of increased resources. She underscored that those were in fact two sides of the same coin and stated that the optimistic scenarios were achievable.

290. During the ensuing discussion, several delegations expressed their appreciation for the introductory remarks made by the Executive Director and for the documentation that had been provided. Several delegations underscored the importance of ensuring predictable and stable funding for UNFPA and encouraged multi-year pledges. Some delegations noted the need to broaden the Fund's narrow donor base and encouraged UNFPA to diversify its sources of income. Measures proposed in paragraph 23 of document DP/FPA/1998/CRP.2 evoked great interest, and several delegations agreed that they should be discussed further. Some delegations noted that multi-year pledges may not be feasible for some countries, owing to current budgetary processes and certain other constraints. Several delegations affirmed that resource mobilization should become an annual agenda item for the Executive Board.

291. One delegation, while commending the Fund for its improving income situation, observed that the income projections in figure 6 of document DP/FPA/1998/CRP.2 appeared overly optimistic and asked for background information on the forecasts. With regard to the resource targets and goals agreed to at ICPD, the delegation asked for information on implementation by programme countries and invited donor countries to increase their contributions, especially those wealthy countries that had so far made only modest contributions. The delegation added that donor contributions, both governmental and non-governmental, not channelled through UNFPA should also be taken into consideration. The delegation cautioned that by focusing only on the resource situation too little attention was paid to other key aspects, including the integration of reproductive health. The same delegation proposed that the elements contained in paragraph 23 of document DP/FPA/1998/CRP.2 should be addressed during intersessional discussions.

292. Another delegation noted that the approach in document DP/FPA/1998/CRP.2 was positive and encouraging and a good basis for building a resource mobilization strategy. The delegation added that the resource figures given in the Programme of Action could not be used as a basis for calculating necessary or hoped-for resources, as Governments might not be able to provide those resources. The delegation added that the Executive Board and secretariat needed to define the specific comparative advantage of UNFPA, as well as the critical mass that the Fund would need to exert a decisive influence on population activities. The same delegation stated that in order to increase external development assistance, more modest increments should be sought, as increments of between 15 and 20 per cent per year tended to discourage donors.

293. Noting the importance of the issue of resource mobilization and the comparative advantage of UNFPA in the population field, one delegation welcomed document DP/FPA/1998/CRP.2 as a useful document and added that the delegation still had reservations concerning the methodology and data of the earlier document DP/FPA/1997/12. The delegation stated that the resource figures contained in chapter 14 of the Programme of Action were indicative and should not be regarded as commitments. With reference to document DP/FPA/1998/CRP.2, the delegation wondered if the Fund was capable of quadrupling its resources over a four-year period. The delegation asked if it would be possible to look at the impact of increased resources on the prevention of HIV/AIDS and added that that point could be added to the Fund's advocacy programmes. The delegation suggested expanding national committees to other selected countries.

Observing that paragraph 23 was the most important paragraph in document DP/FPA/1998/CRP.2, the delegation stated that its country was prepared to make multi-year commitments and was also prepared to commit itself to certain levels of contributions. Furthermore, as of 1 January 1999, it would be able to make all its contributions in Euro currency. The delegation added that its country would increase its contribution to UNFPA in 1998, with general resources of 6 million French francs and additional bilateral contributions earmarked for African countries, as well as a substantial contribution for the ICPD+5 review process.

294. Another delegation also stated that from 1999 onwards, its contribution would be paid in Euro currency and that its country would increase its contribution to UNFPA, by a substantial amount, in years to come. The delegation hoped that the work being carried out in the Open-Ended Ad Hoc Working Group on a UNDP funding strategy would have a positive outcome and positive implications for the Fund.

295. One delegation affirmed that in order for UNFPA to maintain its viability and continue the efforts to implement the ICPD Programme of Action, a secure financial base was essential. The delegation underscored the importance of multi-bilateral cooperation and noted that with the decentralization of authority to UNFPA country representatives there was a need for closer relationships at the field level between the UNFPA representatives and the embassies of donor countries. Similarly, the relationship with the World Bank and other regional banks was important. The delegation observed that in addition to predictability and continuity of resources, the Fund should also give due consideration to risk management. Given the Fund's dependence on a small group of donors, it was exposed to a high risk of being affected by changes in the economic climate of individual donor countries, including through currency fluctuations. Thus, diversification of the Fund's currency portfolio and its donor base were important. The delegation stated that the work of the UNDP working group on funding should not be duplicated by the Fund.

296. Welcoming the Fund's endeavour to assess the implications of the consequences of resource shortfalls, one delegation stated that all those committed to the ICPD Programme of Action must assist in its implementation and in minimizing the negative impact of resource shortfalls. The delegation noted that its country strongly supported continued efforts to narrow the gap in resources and would participate fully in the process within UNFPA and elsewhere. While observing that its budgetary process constrained such actions as multi-year pledges and minimum resource commitments, the delegation stated that progress had been made on the early payment of its contributions to UNFPA and hoped that would continue. The same delegation noted that it had a few technical issues concerning the report (DP/FPA/1997/12) and it would submit those in writing.

297. Underscoring the importance of developing a new system of predictable financing for UNFPA, one delegation stated that a resource mobilization strategy should contain several components, including attention to the private sector. Key elements of a resource mobilization strategy should include: multi-year pledges to assure a predictable resource base; a clear link between the approval of the programme budget and the resource base to assure a strong role of the

Executive Board; and multilateral negotiations on the total budget and burden sharing on an equitable basis. The delegation added that it fully supported all measures to strengthen resource mobilization outlined in paragraph 23 of document DP/FPA/1998/CRP.2, including multi-year pledges. The delegation proposed a four-step process for member States towards achieving broad agreement: informal intersessional meetings of the Executive Board to discuss the financing and resource mobilization issues before the annual session, with UNFPA reporting to the Executive Board on the outcome of those meetings; a substantive discussion of the issues at the annual session, when a larger number of representatives from capitals were present; a final decision on the subject to be taken at the third regular session; and a commitment at a political level expressed at the General Assembly Special Session on ICPD+5 in June 1999.

298. One delegation noted that with regard to the methodology used for data collection in the report DP/FPA/1997/12, it would be useful to add the support provided for the development of health systems, which was in line with the ICPD Programme of Action, but did not always show up in data on population spending. The delegation stated that the amount of donor assistance channelled through UNFPA would depend on the Fund's ability to demonstrate the effectiveness and impact of its programmes. The same delegation added that its country would be willing to consider the proposal on multi-year pledges and noted that it had recently increased its financial support to UNFPA and would seek to continue that trend.

299. Another delegation, commenting on document DP/FPA/1998/CRP.2, reiterated the importance it attached to a solid financial basis for UNFPA and noted that, for budgetary reasons, it would be unable to make multi-year pledges; however, it encouraged those donors in a position to make such pledges, to do so. The delegation stated that according to its understanding, the suggestion to link multi-year pledges to annual increases in contributions meant a deviation from the principle of voluntary contributions, to which it strongly adhered. The delegation noted that the Fund's suggestion to conclude formal agreements with major donors would endanger the principle of multilateralism. The same delegation observed that for budgetary reasons, it was not in a position to comply with the suggestion made in the report to lessen the impact of fluctuating exchange rates. With the introduction of the Euro currency, exchange rate fluctuations would certainly be reduced. The delegation stated that it had an essential difficulty in accepting the methodological approach used in the paper on the consequences of resource shortfalls (DP/FPA/1997/12) and added that the figures in table 3 for its country were incorrect. According to its understanding, the fund's own definition of donor assistance for population included not only reproductive health in the strict sense of the term but extended to the related issues. The figures given in table 3, however, omitted those other issues. The delegation welcomed the convening of a conference in May at the Hague to discuss the methodological difficulties in data collection.

300. One delegation underlined that it was important for the Fund to continue its bilateral cooperation with donors and encouraged UNFPA to work more closely with parliamentarians and regional banks. The delegation was pleased to note that UNFPA was increasing partnerships with non-traditional donors, including the private sector. The same delegation stressed that there was an important

correlation between resource mobilization and utilization and that attention should be focused on the use of resources as well. Another delegation, while appreciating the Fund's efforts to mobilize alternative and additional support, stated that the emphasis should be on increasing core funding. The delegation added that fund-raising targets should be viewed in conjunction with productive utilization of resources.

301. One delegation, while noting its country's full commitment to the new population paradigm that emerged at ICPD, stated that its national population programme was largely financed through domestic resources. The delegation added that the recent regional meeting of the Economic and Social Commission for Asia and the Pacific (ESCAP), in March, in Bangkok, Thailand, had acknowledged the growing contribution of developing countries in implementing the Programme of Action through greater mobilization of domestic resources. The delegation observed that unfortunately that increase had not been accompanied by an increase in external resources as envisaged at the ICPD. The delegation asked for further information on debt-for-population swaps, specifically: How would the brokerage role of UNFPA result in increased resources for the Fund? Would the swap increase domestic resources for population activities and would that be conditional? Would swaps apply only to non-performing debts or also to those that were being serviced and repaid on time? What were the Fund's comparative advantages in becoming a financial broker between Governments or between Governments and other multilateral public creditors? Had the Fund implemented any such debt swaps?

302. Another delegation associated itself with the delegation that had noted that developing countries were mobilizing domestic resources to meet the ICPD resource goals and that resource shortfalls were a consequence of decreasing official development assistance. The delegation urged donors to be forthcoming in their contributions to UNFPA. Another delegation also recognized the efforts of developing countries in moving towards national financing in the implementation of the ICPD Programme of Action. Noting the importance of burden sharing and the need to tap emerging donors, the delegation observed that a funding strategy should go beyond fund-raising. The delegation asked about the decrease in the Fund's total population assistance and wondered if enough were being done in Africa in terms of commitments and programme delivery.

303. Another delegation also underlined the need for donors to be forthcoming on contributions and added that UNFPA should increase its efforts to raise the profile of population issues in donor countries and should also make known the Fund's many achievements. The same delegation further noted that in focusing its efforts on the countries in sub-Saharan Africa, the Fund should not forget the needs of the countries of Central America. Some of those countries had higher birth rates than some countries in sub-Saharan Africa and faced other major population challenges. Another delegation wondered if it would be possible to make some savings among other United Nations funds and programmes and provide add-ons to UNFPA. The delegation added that private-sector funding merited consideration.

304. One delegation asked for additional information on alternative funding sources, including the practicability of debt-for-population swaps and added that, with reference to paragraph 23 (d) in document DP/FPA/1998/CRP.2,

establishing floor and ceiling limits for contributions might not be feasible, given the need to go through a parliamentary approval system in several countries.

305. In her response, the Executive Director stated that she was very pleased and encouraged by the comments and questions raised by the delegations as they clearly indicated the seriousness with which Governments were considering the issue of resource mobilization. She noted that UNFPA was engaged in efforts to expand its current donor base and had identified countries where added efforts were needed to secure contributions. In that regard, she requested the collective support of the Executive Board. She added that the Fund was also seeking the involvement of the Development Assistance Committee of the Organisation for Economic Cooperation and Development. With regard to linkage between resource mobilization and utilization, the Executive Director observed that the Fund had taken that into consideration, noting that its earlier paper on programme priorities had delineated that linkage. On the question of the Fund's specific area of comparative advantage, she stated that with regard to reproductive health, UNFPA was the main operational organization providing support to reproductive health, including sexual health and family planning. In the population and development field, UNFPA was the main advocate for putting population issues on the agenda of other organizations. Furthermore, advocacy for reproductive health still appeared to be the domain of the Fund and UNFPA could take credit for having made the concept universally accepted. The Executive Director added that the next step was to get development partners to move beyond acceptance of the concept to actual delivery of reproductive health services.

306. With regard to the figures provided in figure 6 of document DP/FPA/1998/CRP.2, she noted that the projections of what UNFPA could utilize were realistic and the Fund could deliver the programmes effectively. The Executive Director added that the carry-over in 1997 had been much lower compared to other years and explained that because of resource uncertainties not all funds were implemented. Frequently, UNFPA received contributions at the end of the year and those funds could not be programmed fully earlier in the year. She underscored the importance of having stable and predictable funding. The Executive Director noted that there should also be greater flexibility allowed in using the operational reserve and added that in spite of various uncertainties, UNFPA had managed its resources judiciously. She hoped that the Fund would be able to get additional development partners from the private and non-governmental sectors.

307. The Executive Director thanked the donors who had increased their contributions to the Fund and others who had paid their contributions in full. She was pleased that some delegations had announced that their future contributions would be in Euro currency. She agreed that it was important to emphasize expanding core funding. She observed that since the Fund's work was well defined, resource mobilization modalities and levels could be worked out in a dialogue with the Executive Board, and should not be mixed with the Open-Ended Ad Hoc Working Group on a UNDP funding strategy. She added that the Fund would refine the conference room paper based on the comments and suggestions of the Board members. The Executive Director concluded by emphasizing the need to meet

the ICPD goals not just for resources but for implementing the Programme of Action.

308. On the matter of debt swap, the Director, Information and External Relations Division, noted that it was another vehicle to operationalize the Programme of Action and represented a win-win situation for both the lender and borrower. He stated that bilateral debt amounted to $800 billion and that was what the Fund was seeking to tap. He observed that UNFPA would like to broker the deals. With regard to the workings of a debt swap, he noted that a lender would forgive a portion of a debt provided that the borrower would invest a set amount in local currency for population and other social programming in the borrower's own country. That would help the lender meet the ICPD Programme of Action obligation, without utilizing foreign currency, and would advance population and social development goals. He added that the Fund had not yet conducted any debt swaps but was currently discussing them with three countries.

309. The Executive Board adopted the following decision:

98/7. Resource mobilization strategy for the United Nations Population Fund

The Executive Board

1. Takes note of the report of the Executive Director on Mobilizing Resources Now and for the Future: UNFPA's Strategy (DP/FPA/1998/CRP.2);

2. Invites the Executive Director to update the conference room paper on Mobilizing Resources Now and for the Future: UNFPA's Strategy (DP/FPA/1998/CRP.2) and to report to the Executive Board at its annual session 1998;

3. Requests the Executive Director to organize informal intersessional meetings of the Board with a view to reviewing various funding mechanisms for the United Nations Population Fund and also requests the Executive Director to report to the Board on progress made in the informal intersessional meetings with a view to adopting at its third regular session 1998 a decision on a sustainable funding strategy that will place the funding of the United Nations Population Fund on a predictable, assured and continuous basis so as to enable it to play a central role in the follow-up to the Programme of Action of the International Conference on Population and Development.

24 April 1998

X. OTHER MATTERS

Progress report on change management

310. The Administrator delivered an update on UNDP 2001 implementation. He noted that the pace of implementing the 2001 package of change had gained further momentum and had become an integral part of the organization's overall

culture, including cost consciousness, stronger accountability and a sharper focus at the country level.

311. Individual accountability for results had been strongly emphasized in the development of the reform package, with clear lines of accountability established from the resident representative to the regional bureau director, and from the regional bureau director to the Associate Administrator and to the Administrator. Compacts had been signed with all managers who reported to the Administrator directly and between regional bureau directors and their resident representatives. The compacts established managers' accountability for measurable results, defined the support needed to achieve the results, and built in objective measurements to assess performance.

312. The compacts also formed the basis of the 1998 Strategic Plan (DP/1998/CRP.7), distributed to the Executive Board on an informal basis at the present session. The Strategic Plan established priorities and enabled monitoring of progress in achieving the UNDP mandate and the use of resources. The Plan would be a living tool that the Executive Board could use to monitor the organization's overall progress and to hold the Administrator accountable for results.

313. Support to the Secretary-General's reform proposals was a key dimension of the internal reform efforts of UNDP. Support to the implementation of the Secretary-General's initiatives had been established as a strategic priority objective in each compact signed with senior managers and was reflected in both the Strategic Plan and in the updated Implementation Plan for UNDP 2001.

314. Results of UNDP 2001 included the completion of work on country office management indicators, with a system operational by June. The indicators were an integral component of the UNDP 2001 concept of holistic oversight and were a corollary of the move to greater delegation and emphasis on ex post monitoring and assessment, rather than ex ante approval. The indicators would enable headquarters and all resident representatives to learn from the experiences of others and to facilitate the sharing of best practices. Management indicators for headquarters units would be produced by September. Work on selected programme performance indicators in the areas of poverty and governance had been initiated. A workshop with 20 country offices was planned for May 1998, after which the indicators would be piloted in selected countries. Measuring impact and results was a key area for the organization.

315. Other results included the implementation of the new accountability framework, beginning with the launching of a control risk self-assessment programme and the release of a handbook by the Evaluation Office on results-oriented monitoring and evaluation.

316. The establishment of the subregional resource facilities (SURFs), expected to be completed by the end of summer 1998, was proceeding, with staff for the five regional SURFs and the Global Hub at headquarters under recruitment. The Bureau for Development Policy was working on common systems and standards while staff in the five regions were working to identify expertise and best practices. A full status report on the SURFs would be available at the annual session 1998.

317. Other steps taken to ensure that UNDP would become a learning organization included the distribution of the UNDP Resource Guide on Change Management to country offices and refinement of systems to support decentralization, particularly in the areas of human resources and financial resource management. An information management strategy would ensure the alignment of information management resources with the overall UNDP corporate strategy.

318. The Administrator informed the Executive Board that he was according high priority to developing a competency-based human resource strategy. Clarity on roles and functions would help to empower UNDP staff at all levels and encourage them to contribute to the challenges of the next century. Training and performance appraisal for resident coordinators, using the competency-based approach, had already been introduced. The first comprehensive national staff management policy would be implemented in May 1998. The new UNDP policy on gender and the advancement of women had been reviewed by the Executive Committee and its implementation mainstreamed in the compacts signed with managers. A roster of emergency personnel had been established to respond better to the needs of programme countries in times of crisis.

319. Headquarters units had proceeded to streamline unwieldy processes. In March 1998, the new national execution manual, which reflected Executive Board decisions taken at the first regular session 1998, was introduced and distributed to the country offices. An efficiency and decentralization package would be brought to the Change Implementation Committee in May 1998.

320. UNDP was thus moving forward vigorously in the implementation of UNDP 2001. A detailed update of the UNDP 2001 Implementation Plan was available to the Board at the present session, as was a brochure entitled UNDP Today.

321. One delegation queried whether the change management process and its progress in human resource and financial issues could be linked to the funding issues and if that link could ensure maximum programme delivery.

322. Another speaker thanked the Administrator for his presentation and requested further information on the evaluation of resident representatives. The delegation also queried whether there were specific measures to ensure gender equality in recruitment.

323. The Administrator, in response to the first speaker, stated that UNDP would reflect on the point made and revert to it in the Ad Hoc Open-Ended Working Group on a Funding Strategy for UNDP. He stated that the establishment of country office management indicators, including the evaluation of resident representatives, was a huge undertaking that drew on the experience of the performance assessment review process. He noted that major steps had been taken with regard to gender equality and recruitment, including the measure that external recruitment would be limited to women only with exceptions at the discretion of the Administrator.

324. The Associate Administrator noted the improvements in the operations side of UNDP on the basis of the compacts signed with the respective bureaux. Synergies on various issues had been developed and experiences shared on an inter-bureau basis.

325. The Assistant Administrator and Director of the Bureau of Planning and Resource Management looked forward to discussing the issues raised by the first speaker at the Open-Ended Working Group. He noted that the new UNDP organization chart allowed for greater alignment between human resources and change management, with the Office of Human Resources now part of the Bureau of Planning and Resource Management. There was an investment or cost in organizational change, in terms of the energy put into projects and the financial investment. Investments in human resources were needed in order to align UNDP with the changing demands in crisis countries. Additional resources were also needed with regard to human resource development.

326. The Executive Board took note of the Administrator's oral report on change management.

Statement by the Chairman of the Commission on Social Development

327. The Chairman of the Commission on Social Development addressed the Executive Board on the outcome of the Commission's thirty-sixth session, held from 10-20 February 1998, in particular on the agreed conclusions contained in decision 36/2: "Promoting Social Integration and Participation of All People, Including Disadvantaged and Vulnerable Groups and Persons". Other activities of the Commission included preparations for the United Nations International Year for Older Persons (1999) and preparations for the review in the year 2000 of the outcome of the World Summit for Social Development. He underlined the importance of disseminating the work of the Commission to as wide an audience as possible.

328. One delegation took the floor to welcome the briefing on the activities of the Commission on Social Development relevant to UNDP and UNFPA.

329. The Executive Board took note of the presentation by the Chairman of the Commission on Social Development.

ICPD+5

330. At the request of several members of the Board, the ICPD+5 process was further considered under agenda item 9.

331. The Executive Director informed the Board that UNFPA and the United Nations Population Division were working on an annotated outline of the report of the Secretary-General that would be submitted to the Special Session of the General Assembly. She noted that the report would be brief and would focus on: where we are today in implementing the International Conference on Population and Development Programme of Action; constraints; and key actions for the future. While the report would discuss qualitative and quantitative aspects of the goals achieved and the constraints faced, it would not attempt to address every chapter of the Programme of Action individually. Instead, key issues and themes would be clustered and examined in a combined way, with a focus on illustrating the inter-connectedness of various sectors. The report would also delineate how the United Nations system and other development partners had come together to implement the ICPD Programme of Action. The Fund and the Population Division

were also preparing a progress report for presentation to the Economic and Social Council in July 1998, on preparations for the ICPD+5 review.

332. The Executive Director added that the document for the International Forum would be more extensive and detailed than the report of the Secretary-General. The review and assessment report being prepared by the Population Division, as well as the outcomes of the regional meetings, the round tables and the technical meetings would all feed into the document for the International Forum. She noted that NGOs and civil society organizations were involved in the preparatory process and a two-day NGO Forum would precede the International Forum. The topic of adolescent reproductive health would receive attention. Since ICPD, youth had become actively involved and had asked that their voices be heard in both the ICPD+5 preparatory process and at the International Forum. The Fund was committed to ensuring that. The Executive Director noted that there was good collaboration with NGOs and, increasingly, environmental groups and groups of retirees and older persons were seeking to liaise with UNFPA on the ICPD+5 process. She stated that Governments had expressed keen interest in the ICPD+5 review.

Coordinating Committee on Health

333. In her opening statement to the Executive Board, the Executive Director had provided an update on the status of preparations for the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH). The meeting would take place on 3 and 4 July 1998 in Geneva. The provisional agenda for the meeting included: review of the terms of reference for the Committee; review of resolutions and decisions of the three Executive Boards relating to improving the health of children, young people and women, adopted since the thirty-first session of the Joint Committee on Health Policy, the predecessor of the CCH; adolescent health; safe motherhood; and the results of a vitamin A study. The meeting would culminate a two-year process of continuous, concerted and constructive efforts on the part of the Executive Boards of the three organizations.

334. Following consideration of the nomination of the Africa region representative to the WHO/UNICEF/UNFPA Coordinating Committee on Health for 1998, the Executive Board confirmed Dr. John Katatu Musiyimi Mulva, Permanent Secretary, Ministry of Health, Botswana, as the representative of the African Group on the Committee, and Ms. Winnie Gasefele Manyeneng, Assistant Director of Health Services/Primary Health Care, Botswana, as the alternate.

Closing remarks by the Administrator

335. The Administrator extended his gratitude to all who had been involved with the session. He cited the dialogues on the reports to the Economic and Social Council and on the country cooperation frameworks as particularly valuable. The informal meeting with the UNICEF Executive Board had been a useful continuation of the mechanism begun in January. He hoped that the Board could continue to utilize such forums for discussion of the implementation of United Nations reform. The Administrator wished a departing representative of France, Mr. Jean-Marc Chaitagner, best wishes for his new assignment.

Closing remarks by the Executive Director

336. In her concluding remarks, the Executive Director expressed her thanks and deep appreciation to the President, the Bureau and all members of the Executive Board for the constructive dialogue and the guidance they had provided. She observed that the second regular session 1998 of the Board, which had focused primarily on UNFPA items, had yielded positive results, and the discussions during the week had clearly shown the great interest of the Executive Board in UNFPA matters. She noted that she was very pleased with the high quality of the dialogue, level of participation and the professional and focused attention given to UNFPA matters at the second regular session. She further noted that the Executive Board and the secretariat had developed a positive and constructive relationship and worked towards the same goals.

337. The Executive Director added that while she sincerely appreciated the great interest of the Executive Board in all UNFPA matters, it should also be kept in mind that preparing for sessions of the Executive Board required a great deal of staff time and effort and that UNFPA had a very small secretariat. In particular, the preparation of documentation might not always be the best use of staff time. At the same time, the Executive Director recognized that on some issues there had been a feeling among some delegations that the Fund had not shared enough information in advance of the meeting; UNFPA intended to correct that in the future and welcomed the guidance of the Board in that regard. She added that the discussion on resource mobilization was a good illustration of the Fund's open and constructive relationship with the Board, and despite the fact that some members had difficulties with some of the proposals, the frank and constructive tone of the dialogue was outstanding. The Executive Director also noted that the discussion on the report to the Economic and Social Council had been useful, and UNFPA would try to follow the guidance provided by the Board for the preparation of a note on consolidated issues, with UNDP, and, if possible with the United Nations Children's Fund and the World Food Programme. She added that the joint informal meeting on the United Nations Development Assistance Framework had been very useful. She noted that the Fund would continue to work on all issues that were of interest to the Board, including the technical support services and resource mobilization.

338. The Executive Director stated that she wished to express her deep appreciation to the Executive Board for the authorization that it had given to UNFPA to proceed with the recruitment of seven new posts in the field. She then went on to thank Mr. Jean-Marc Chataigner of the delegation of France, who would shortly be taking up new duties. She underscored that it was to a great extent due to his support and personal commitment that UNFPA had such excellent relations with the Government of France. The Executive Director then expressed her deep gratitude to Mr. Per-Ola Mattson of the delegation of Sweden for his support and excellent guidance, and hoped that he would continue to be involved in UNFPA and population matters in his new posting. She also thanked Mr. Yutaka Yoshino of the delegation of Japan for all the support that he had given the Fund and she wished him the best in his new undertakings. The Executive Director concluded by thanking the President and the members of the Bureau for efficiently guiding the deliberations. She thanked all members of the Board for an excellent session and also conveyed her thanks to the

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interpreters, conference officers and all the secretariat staff, including UNDP colleagues, for their very able and dedicated assistance.

Closing remarks by the President

339. The President noted that the session had been very productive, with the adoption of 10 UNDP country cooperation frameworks and extensions of three country programmes, and 26 UNFPA country programmes and one extension. The discussions on country-level programming had been very constructive and informative. The Executive Board had taken decisions on such key issues as the reports to the Economic and Social Council, UNFPA technical support services, the recruitment of UNFPA country representatives and a resource mobilization strategy for UNFPA. He also cited the useful informal meetings, convened by both UNDP and UNFPA as well as the joint informal meeting convened with the UNICEF Executive Board. Dialogue on reform-related issues such as the UNDAF had been held at both the joint informal and during the dialogue on the reports to the Economic and Social Council. The joint meetings would be continued as and when needed. The progress in fulfilling the elements of the key decisions taken during the session would be closely monitored.

340. The Executive Board concluded its work by adopting the following decision:

98/9. Overview of decisions adopted by the Executive Board at its second regular session 1998

The Executive Board

Recalls that during the second regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its second regular session 1998 (DP/1998/L.2) as orally amended;

Approved the report on the first regular session 1998 (DP/1998/12 and Corr.1);

Approved that part of the report on the second regular session (contained in documents DP/1998/L.15 and DP/1998/L.16) concerning the reports to the Economic and Social Council (DP/1998/14 and Corr.1 and DP/FPA/1998/2 and Corr.1 (French only));

Agreed to the following schedule of future sessions of the Executive Board in 1998 and 1999 subject to the approval of the Committee on Conferences:

Annual session 1998:	**8-19 June 1998 (Geneva)**
Third regular session 1998:	**14-18 September 1998**
First regular session 1999:	**25-29 January 1999**
Second regular session 1999:	**5-9 April 1999**
Annual session 1998:	**14-25 June 1999 (New York)**
Third regular session 1999:	**13-17 September 1999**

Agreed to the subjects to be discussed at the annual session 1998 of the Board, as listed in the annexed work plan;

UNDP/UNFPA SEGMENT

ITEM 2: REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

Adopted decision 98/5 of 24 April 1998 on the reports to the Economic and Social Council;

UNDP SEGMENT

ITEM 3: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Took note of the report on the three-year financial forecast outlining the financial commitments as of 31 December 1997 (DP/1998/CRP.6);

Approved the following country cooperation frameworks and country programme extensions:

I

First country cooperation framework for Côte d'Ivoire (DP/CCF/IVC/1);
First country cooperation framework for Gambia (DP/CCF/GAM/1);
First country cooperation framework for Guinea (DP/CCF/GUI/1);
First country cooperation framework for Mali (DP/CCF/MLI/1 and Corr.1 (English only));
First country cooperation framework for Rwanda (DP/CCF/RWA/1);
First country cooperation framework for Togo (DP/CCF/TOG/1);
First extension of the fifth country programme for Niger (DP/CP/NER/5/EXTENSION I);

II

First country cooperation framework for Bahrain (DP/CCF/BAH/1);

III

First country cooperation framework for Albania (DP/CCF/ALB/1);

IV

First country cooperation framework for Bolivia (DP/CCF/BOL/1);
First country cooperation framework for the Turks and Caicos Islands (DP/CCF/TCI/1);
Second extension of the third country programme for Antigua and Barbuda (DP/CP/ANT/3/EXTENSION II);
Second extension of the fifth country programme for Haiti (DP/CP/HAI/5/EXTENSION II);

UNFPA SEGMENT

ITEM 4: UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the following country programmes:

I

Assistance to the Government of Botswana (DP/FPA/BWA/3);
Assistance to the Government of Cameroon (DP/FPA/CMR/3);
Assistance to the Government of Equatorial Guinea (DP/FPA/GNQ/3);
Assistance to the Government of Ethiopia (DP/FPA/ETH/4);
Assistance to the Government of Gabon (DP/FPA/GAB/3);
Assistance to the Government of Guinea-Bissau (DP/FPA/GNB/3);
Assistance to the Government of Lesotho (DP/FPA/LSO/3);
Assistance to the Government of Mali (DP/FPA/MLI/4 and Corr.1 (French only));
Assistance to the Government of Mauritania (DP/FPA/MRT/4);
Assistance to the Government of Mozambique (DP/FPA/MOZ/5);
Assistance to the Government of Niger (DP/FPA/NER/4);
Assistance to the Government of Rwanda (DP/FPA/RWA/4);
Assistance to the Government of Sao Tome and Principe (DP/FPA/STP/3);
Assistance to the Government of South Africa (DP/FPA/ZAF/1);
Assistance to the Government of Swaziland (DP/FPA/SWZ/3 and Corr.1 (French only));

II

Assistance to the Government of Jordan (DP/FPA/JOR/5);
Assistance to the Government of Yemen (DP/FPA/YEM/2);

III

Assistance to the Government of Bangladesh (DP/FPA/BGD/5);
Assistance to the Government of Bhutan (DP/FPA/BTN/3);
Assistance to the Government of the Democratic People's Republic of Korea (DP/FPA/PRK/3);
Extension of assistance to the Government of the Islamic Republic of Iran (DP/FPA/IRN/2/EXT1);
Assistance to the Government of Maldives (DP/FPA/MDV/2);
Assistance to the Government of Papua New Guinea (DP/FPA/PNG/2 and Corr.1 (French only));
Assistance to the Government of Thailand (DP/FPA/THA/7);

IV

Assistance to the Government of Bolivia (DP/FPA/BOL/2);
Assistance to the Government of Brazil (DP/FPA/BRA/2);
Assistance to the Government of Colombia (DP/FPA/COL/3);

ITEM 5: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the oral report on the criteria and mechanisms for budget adjustments in the event of any significant shortfall in income (97/26);

Adopted decision 98/8 of 24 April 1998 on approval of recruitment of UNFPA country representatives;

ITEM 6: TECHNICAL SUPPORT SERVICES

Adopted decision 98/6 of 24 April 1998 on UNFPA technical support services;

ITEM 7: STAFF TRAINING ACTIVITIES

Took note of the oral report on the implementation of evaluation recommendations (97/29) on UNFPA staff training activities;

ITEM 8: RESOURCE MOBILIZATION

Adopted decision 98/7 of 24 April 1998 on a resource mobilization strategy for the United Nations Population Fund;

ITEM 9: OTHER MATTERS

Took note of the progress report on change management;

Confirmed the nomination of Botswana from the African Group to represent the Executive Board on the WHO/UNICEF/UNFPA Coordinating Committee on Health;

Took note of the presentation of the Chairman of the Commission on Social Development.

24 April 1998

Table 1. Annual session 1998 (8-19 June 1998)

(10 working days)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.3)	A	1½ days	Provisional agenda, annotations, list of documents/work plan
	Official	A		Report on the second regular session 1998
				Decisions adopted by the Executive Board at its second regular session 1998
				UNFPA SEGMENT
2	Official	I		REPORT OF THE EXECUTIVE DIRECTOR FOR 1997
				Introduction by the Executive Director
				Programme priorities and implementation
				Resource mobilization
				Global Contraceptive Commodity Programme/Global Initiative on Contraceptive Requirements
				Regional overview
				Statistical annex
3	Official	A	½ day	ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION (96/27)
4	Official	A	½ day	WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY
5	Official	I	½ day	PERIODIC REPORT ON EVALUATION

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
6			½ day	INFORMATION AND COMMUNICATION STRATEGY
	Oral	I		Implementation of decision 97/13
7	Oral/CRP	I		RESOURCE MOBILIZATION STRATEGY
				UNDP SEGMENT
8			2 days	ANNUAL REPORT OF THE ADMINISTRATOR
	Official	A		Introduction by the Administrator
	Official	A		Main programme record, including reporting on special funds
	Official	I		Assistance to the Palestinian people
	Official	I		The United Nations New Agenda for Development in Africa and the Special Initiative for Africa
	Official	I		Reports of the Joint Inspection Unit
	Official	I		Statistical annex
	CRP	I		UNDP 2001: Follow-up to decision 97/15 para 16 (Interim report on subregional resource facilities(SURFs))
9	Official	I	½ day	Follow-up to the United Nations Reform, including transfer to the United Nations Development Programme of the responsibilities of the Emergency Relief Coordinator for natural disaster mitigation, prevention and preparedness
10	Official	I	½ day	EVALUATION
11	Official	I/A	½ day	UNITED NATIONS VOLUNTEERS

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
12	CRP		½ day	RESOURCE MOBILIZATION (including review of round-table process)
13	Official		½ day	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS (including assistance to Myanmar)
14			½ day	COMMUNICATION AND INFORMATION POLICY
	Official	I		Follow-up to decision 97/17 (para 10)
15				UNITED NATIONS OFFICE FOR PROJECT SERVICES
	Official	A	½ day	Report on the United Nations Office for Project Services (96/33)
	Official			Report on follow-up to recommendations of the Board of Auditors on UNOPS (97/23)
				UNDP/UNFPA SEGMENT
16	Oral	I	½ day	Reports on internal oversight
17			½ day	OTHER MATTERS, including:
				- Briefing on UNAIDS
*				

* **NOTE:** A Special Event on 1998 State of World Population report will be organized by UNFPA for half a day.

Abbreviations: A = action; CRP = conference room paper; I = information; and ICPD = International Conference on Population and Development.

Part three

ANNUAL SESSION

Held at United Nations Office at Geneva from
8 to 19 June 1998

I. ORGANIZATIONAL MATTERS

1. The President opened the 1998 annual session of the UNDP/UNFPA Executive Board by noting that the session was particularly important for both UNDP and UNFPA as it took place at a time when needs for development assistance were increasing while resources allocated to it were decreasing. He observed that the decrease was not the result of a lack of resources in donor countries but was the result of a lack of comprehension by taxpayers of what development assistance was really about, how resources were utilized and what impact development assistance had not only on recipient countries but on the world economy in general. The President underscored that the work of the Executive Board members, as true partners representing donor and programme countries, was to improve the efficiency and effectiveness of development assistance and to communicate its long-term goals and impact in a more effective manner.

Report on the second regular session 1998 (DP/1998/15)

2. The Secretary of the Executive Board informed the Board that the draft report of the second regular session 1998 had been sent out earlier to Executive Board members and that additional copies would be made available at the current session. The Executive Board agreed that the approval of the report on the second regular session 1998 would be deferred to the third regular session 1998. The Secretary drew the attention of the Board to the tentative work plan for the annual session and noted that the presentation by the Executive Director of the United Nations International Partnership Trust Fund had been tentatively rescheduled for the third regular session 1998.

Special event

3. The Chief of the Executive Board Branch of UNFPA informed the Board that on the afternoon of Monday, 8 June 1998, there would be a special event featuring a panel discussion on reproductive health and reproductive rights. The discussion would be chaired by the Executive Director of UNFPA with panellists from the United Nations Commission on Human Rights, the Office of the United Nations High Commissioner for Refugees, the World Health Organization, the Committee on the Elimination of All Forms of Discrimination against Women, and the International Federation of Red Cross and Red Crescent Societies.

Adoption of the agenda and agreement on the work plan

4. The Executive Board approved the agenda and work plan for the annual session as contained in documents DP/1998/L.3; DP/1998/L.3* (Spanish only) and DP/1998/L.3/Corr.1, as orally amended.

Future sessions

5. The Secretary presented the proposed work plan for the third regular session 1998, scheduled to meet in New York, 14-18 September 1998. She noted that the work plan was quite heavy and said that it might not be possible to cover all items during the session. She also noted that the Executive Board work plan for 1999, which was on the agenda for submission to the third regular

session, would necessarily have to be very tentative since many decisions affecting the work of the Board in the coming year would be taken up only at the third regular session 1998.

6. One delegation brought to the attention of the Executive Board that the high-level dialogue of the General Assembly on strengthening international economic cooperation for development through partnership was scheduled to meet 17-18 September 1998, thus conflicting with the scheduled Executive Board meeting. Many delegations would have to focus their attention on the high-level dialogue. Would it be possible to change the dates of the third regular session? The Secretary said that it would be difficult to change the schedule at such a late date but she said she would investigate the possibilities. The Board asked the Secretary to report to the Bureau on any possible solutions and decided to ask the Bureau to determine the dates of the third regular session.

UNFPA segment

II. REPORT OF THE EXECUTIVE DIRECTOR FOR 1997

7. In introducing the annual report for 1997, the Executive Director stated that the annual session 1998 was pivotal in the process of adopting a sustainable funding strategy for UNFPA that would allow the Fund to play a central role in the follow-up to the International Conference on Population and Development (ICPD). She added that the session would also address the important issues of absorptive capacity and financial resource utilization, and underscored that resource mobilization and resource utilization were particularly pertinent in light of the heightened activity of the ICPD+5 process. She noted that the ICPD+5 process had got off to a very good start with the first round table on adolescent sexual and reproductive health. Co-sponsored by the Ford Foundation, the round table had been held in New York, in April. Other ICPD+5 events were also well under way, including regional reviews organized by the regional commissions in cooperation with UNFPA and others. She underscored that during 1997, and continuing in the current year, UNFPA had been very actively engaged in supporting the Secretary-General's reform process and was fully committed to implementing the reforms. UNFPA had placed a number of substantive issues relating to programming and programme delivery on the work plan of the United Nations Development Group (UNDG). Those included matters relating to absorptive capacity, national execution, databases, common indicators and joint evaluations among UNDG member organizations.

8. The Executive Director noted that Part I of the annual report focused on two of the most important substantive issues of the ICPD Programme of Action and the Fund's work, namely, reproductive health and reproductive rights, particularly adolescent reproductive health, maternal health, emergency assistance in refugee situations and HIV/AIDS prevention. A key aspect in the analysis contained in the report of those themes was the cooperation and collaboration among development partners. She thanked the Government of Switzerland for its support and collaboration in organizing the Special Event on Reproductive Health and Reproductive Rights, held in the context of the annual session of the Executive Board. Noting that the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH) would take place on

3 and 4 July, the Executive Director thanked the Board for its strong commitment and support in establishing the CCH and making it operational. Referring to the important issue of sector-wide approaches, she noted that UNFPA had focused attention on it both at country and global levels but needed to become further involved. There were a number of concerns that UNFPA and other partners shared on the subject, including ensuring adequate attention to reproductive health and reproductive rights during the analysis and implementation of health-sector reforms and sector-wide approaches. UNFPA had also brought those issues to the attention of the UNDG.

9. She drew attention to the programme and financial highlights presented in the statistical overview of the annual report. While noting that the Fund's immediate cash flow situation was stable, she expressed concern about general resources for UNFPA and for overall population assistance. Observing that four years after the enthusiasm of Cairo there might be a slackening of commitment for supporting the implementation of the ICPD Programme of Action, she hoped that the Executive Board would give careful consideration to a funding strategy for UNFPA that would put funding for general resources on a more predictable, assured and continuing basis.

10. Numerous delegations commended the Fund's active role in and commitment to United Nations reform and the United Nations Development Assistance Framework (UNDAF) process and encouraged UNFPA to intensify its involvement. One delegation asked about the need to distinguish further between the responsibilities of the United Nations resident coordinator and the UNDP resident representative and inquired whether the integration of those functions hindered coordination at the field level.

11. Several delegations welcomed the attention UNFPA was giving to the sector-wide approach and looked forward to learning more about the Fund's thinking on the subject. Many delegations stated that the topic should be placed on the agenda of the third regular session 1998 of the Executive Board. One delegation stated that it considered the approach to be a model one and encouraged UNFPA to become actively involved in it. Another delegation noted that UNFPA should ensure that reproductive health received parity in such sector-wide programmes. One delegation was encouraged by the Fund's increased dialogue with the World Bank and added that it would share with UNFPA the findings of a recent workshop it had organized with the World Bank on a sector-wide approach for health development. It suggested that UNFPA consider a pilot study to look at the impact of the sector-wide approach on reproductive health and family planning in a country where the introduction of that approach was just beginning. The delegation added that it was important to note that sector-wide approaches were not a type of health sector reform but an approach to funding that was probably best undertaken in countries where health sector reform was already under way. Another delegation, while noting that it welcomed a conference room paper on sector-wide approaches, stressed that UNFPA must remain unencumbered to provide direct support to population and development activities that went beyond the boundaries of a specific sector. Another delegation asked in which areas the Fund might like to seek its guidance. One delegation observed that sector-wide approaches implied partnerships, including with Governments, whose strength, and indeed the strength of the partnership, was impacted by fluctuating economic trends.

12. Numerous delegations commended the Fund's work on developing indicators and inquired about the current status, problems encountered, and the expected time-frame for completion of the work on indicators. One delegation noted that the link between the work programme, the budget and the annual report could be improved by using the same set of indicators to define the results to be achieved and added that that would also help the Executive Board to monitor better the effectiveness of the Fund's activities in its main programme areas.

13. Several delegations welcomed the Fund's support and programming in the areas of adolescent reproductive health, maternal mortality reduction and HIV/AIDS prevention. One delegation underlined the relationship between drug abuse, HIV/AIDS and reproductive health and noted that while the Fund's focus must be on reproductive health, drug abuse should also be dealt with and UNFPA could provide valuable assistance to the United Nations International Drug Control Programme (UNDCP) in its efforts in programming and advocacy. One delegation highlighted the HIV/AIDS-prevention work of the International Therapeutic Solidarity Fund, including access to treatment for populations in the developing countries. Another delegation noted the importance of increasing male involvement in reproductive health. It commended the efforts launched by the Fund in the area of reproductive rights and noted that there should also be greater promotion of adolescent reproductive rights.

14. One delegation, observing that various channels had been used in its country to raise awareness about adolescent reproductive health, stated that all actors, including parents, should be involved in policy-making and implementation in order to strengthen their sense of ownership of UNFPA programmes in that area. Another delegation noted that the report should have included information on the reproductive rights of adolescents who were frequently denied treatment for sexually transmitted diseases (STDs) in several countries, including the delegation's own country. The same delegation stated that it wished the Fund to play a more active role in the struggle against female genital mutilation (FGM). One delegation welcomed the UNFPA-supported adolescent reproductive health activities undertaken in the countries of central Europe and added that donor resources were also needed for census-taking in the region. Another delegation welcomed the Fund's work on adolescent reproductive health in the Caribbean region and asked if the programme included the island of Montserrat. Several delegations welcomed the Fund's initiatives with religious leaders to promote reproductive health.

15. With regard to the ICPD+5 process, one delegation observed that the technical meetings being planned on international migration and on ageing should be results-oriented. The delegation added that in the context of the CCH, UNICEF and WHO should be encouraged to contribute to the ICPD+5 process by assessing the successes and challenges they had encountered in implementing the ICPD Programme of Action. Another delegation wondered whether the planned ICPD+5 technical meetings and round tables were sufficient to provide an overall review of the implementation of the ICPD Programme of Action. One delegation underscored the importance of focusing on quality-of-care in reproductive health programmes and recommended that the subject be included in the ICPD+5 review.

16. Numerous delegations expressed concern regarding the decline in resources and emphasized the need to address the issue of resource mobilization. Some

delegations pointed out that resource mobilization was inextricably linked to programme effectiveness. One delegation welcomed the Fund's positive income outlook and invited donors to increase their contributions to the Fund, particularly those donors who were underperforming in that regard. Another delegation emphasized the importance of considering a wide range of innovative approaches to resource mobilization, including increased partnerships with the private sector. Referring to the funding available from the United Nations Foundation for innovative projects, one delegation asked about the possibility and scope of integrated activities with the United Nations Development Fund for Women (UNIFEM) and other agencies, particularly in the areas of gender empowerment, microcredit and family planning services.

17. One delegation asked what was being done to encourage an open, transparent dialogue with donor countries at the field level to inform them about the concrete impact of the Fund's activities. It also asked to be informed on how the gender dimension was being integrated in training activities. The same delegation commended the Fund for its high percentage of female professional staff (46 per cent) at headquarters and for having reduced the amount of unspent allocations in 1996. The delegation was also pleased to note the achievements in the areas of decentralization, monitoring and evaluation.

18. Several delegations noted with concern the decline in national execution of projects in 1997. One delegation stated that it was critical for UNFPA to incorporate national capacity-building into all its activities.

19. One delegation was pleased with the emphasis given to contraceptive requirements and logistics management and hoped that the Fund's role in those areas would continue to increase. The delegation asked for a breakdown of the thematic areas the Fund was focusing on. Another delegation applauded the refinements in the activities of the Fund's Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries and said it would welcome a brief oral report at the third regular session of the Executive Board on the Fund's efforts to expand the commercial market for contraceptives in developing countries.

20. Several delegations appreciated the Fund's support to refugees and to people who were in emergency or post-crisis situations. One delegation noted that its country had over 2 million refugees and hoped that next year's annual report would include information on UNFPA-supported activities undertaken in its country in the area of reproductive health services for refugees.

21. One delegation, while commending the analytical quality of the section of the report on programme priorities, observed that in addition to success stories it would also have been useful to learn about failures. Another delegation observed that the reporting should be more analytical and results-oriented. It stated that except for the section on the Asia and Pacific region, the regional overview was not analytical. The delegation added that more discussion and problem-analysis should be provided in the areas of HIV/AIDS programming and maternal mortality reduction. One delegation stated that while the report contained discussion of many interesting initiatives, it needed to be stronger on results and added that it would be useful to rely on the logical framework analysis to monitor progress and the results achieved. Another delegation also

observed that the annual report should have focused on results obtained and difficulties encountered in operationalizing reproductive health programmes.

22. One delegation asked for information on the practice of surgical sterilization in certain countries in the Latin America region and also inquired about the increase in the Fund's administrative and personnel costs.

23. One delegation stated that the study to be undertaken by the Fund and the Australian National University should be in the context of globalization and should address the larger question of how the recent economic vicissitudes experienced by some countries impacted their population programmes. The delegation added that while in less developed countries the Fund needed to play a catalytic role in building population programmes, in intermediate countries it needed to help sustain population programmes; furthermore, in the more advanced countries the Fund needed to help to continue the success of population programmes in the face of difficult and fluctuating economic trends.

24. Several delegations were pleased to note the Fund's continuing collaboration with non-governmental organizations (NGOs) and civil society. One delegation stated that partnerships with grass-roots NGOs should be strengthened and collaboration with regional development banks should be increased. One delegation observed that there had been no increase in resource allocation to NGOs from 1996 to 1997.

25. One delegation, while noting with satisfaction the UNFPA activities undertaken in the countries of central and eastern Europe and the Commonwealth of Independent States, stated that the particular problem of low or negative population growth faced by its country and other countries in the region required that the Fund use an approach different from that used to address the issue of high population growth.

26. In her reply, the Executive Director thanked the delegations for their comments and stated that she agreed with the delegations who had pointed out that programme effectiveness and programme delivery were related to resource mobilization. She also welcomed the comments on sector-wide approaches and noted that the Fund had placed the subject on the agenda of the UNDG. The Fund would also prepare a conference room paper on the topic for discussion at a subsequent session of the Executive Board. She added that a system-wide view on the important subject of sector-wide approaches would be useful. With regard to indicators, she noted that UNFPA had developed population and reproductive health indicators that had been provided to the field offices. The indicators were the outcome of a collaborative process undertaken by the Fund's technical staff, members of the UNFPA country support teams (CSTs) and various development partners, including other United Nations agencies and NGOs. She underscored that it was not easy to develop indicators when good baseline data were unavailable. She added that in addition to the programme indicators developed by UNFPA there were also system-wide indicators developed by the Administrative Committee on Coordination (ACC) Task Force on Basic Social Services for All. She stated that if the Board was interested, the Fund would organize an informal meeting on indicators. She added that there had been an attempt to develop some indicators on national capacity-building but, given the scope and nature of the

issue, it would be more useful to have a joint undertaking on that with UNDP and UNICEF.

27. The Executive Director was pleased to note that all the delegations that had made interventions agreed that adolescent reproductive health and maternal mortality reduction were two key areas that the Fund should focus on. She noted that in order to promote adolescent reproductive health, a comprehensive approach was essential and agreed that parents and other opinion-leaders should be involved in adolescent reproductive health education programmes. The outcome of such education programmes should not just be the promotion of safe sex but the teaching of responsible behaviour, including encouraging young people to delay sex. She added that together with UNICEF, the Fund had developed a parental guidance book on adolescent reproductive health; however, one problem was that not all parents in programme countries could read. She stated that the Fund would continue to work with UNICEF, WHO, NGOs and civil society to seek solutions and a pragmatic approach to dealing with the challenges of adolescent reproductive health. She congratulated the Government of the Islamic Republic of Iran on its undertakings in that area, including the in-depth reproductive health education being provided to young couples who were about to marry. She noted that the Fund had provided support for sending representatives from neighbouring Muslim countries on study tours to the Islamic Republic of Iran, which, along with Bangladesh, had taken the lead in involving religious leaders in promoting reproductive health education.

28. She affirmed that the Fund was deeply committed to the UNDAF process; however, it was a very labour-intensive process and created constraints for a small organization such as UNFPA. She added that a rationalization of the process would be useful since it was not necessary for all organizations to participate in every activity. At the same time, it was necessary to use the UNDAF to ensure that the key areas of population, reproductive health and advocacy were included in the programmes of all member organizations. She added that national capacity-building was an important topic for the UNDAF and UNFPA had placed it on the agenda of the UNDG. Also, it was important to ensure that the guidelines and other products developed by the three ACC inter-agency task forces were fed into the UNDAF process. She noted that the issue of the delineation of the role of the resident coordinator and the resident representative would be discussed at the next meeting of the UNDG in the context of United Nations reform.

29. On the United Nations Foundation, she observed that for the next tranche of grants the Foundation had called for project proposals that focused on adolescent reproductive health and reproductive health quality of care, emphasizing collaborative activities to be undertaken with other organizations. She noted that the Fund was already involved in various collaborative activities, including with NGOs. The Fund was working jointly with UNIFEM and UNDP in supporting a campaign in the Latin America and the Caribbean region to prevent violence against women. UNFPA was also supporting very innovative activities with indigenous women. For example, a project on bilingual literacy based on reproductive health issues, initially developed as a pilot project in the Peruvian Andean region, was now being implemented on a national scope in Bolivia. In addition to promoting awareness among indigenous women concerning

their reproductive rights, training in negotiating skills was also being provided.

30. With regard to the query on the use of sterilization in countries in the Latin America region, she noted that the Fund had commissioned a study by AVSC International on that issue. The results, when available, could be shared with interested members of the Executive Board. Recourse to voluntary sterilization was indeed a widespread phenomenon in some countries in the region and was frequently linked to a lack of choice of contraceptives. She affirmed that promoting quality of care in the provision of reproductive health services, including counselling and contraceptive choice, was accorded high priority in the programmes supported by the Fund in the region. She noted that UNFPA had participated with the Pan-American Health Organization in a mission to address the issue of forced sterilization in Peru. Recommendations were made to the Government, which had begun to take action to prevent the use of coercion in the provision of reproductive health services.

31. In responding to several questions raised by one delegation, the Executive Director noted that the Fund was using the logical framework analysis. As regards interaction with the development banks, she noted that the Fund was continuing its collaboration with the World Bank and the Asian Development Bank and was in active dialogue with the African Development Bank. She added that while there had been dialogue with the Inter-American Bank there had been no real outcome. She noted that the upcoming round table on macroeconomic linkages would seek to involve finance ministers. With regard to the ICPD+5 technical meetings, she agreed that there should be a focus on results; for example, the technical meeting on international migration and development would focus on how to advance implementation of chapter 10 of the ICPD Programme of Action. She assured delegations that quality of care was a key concern of the ICPD+5 review.

32. She confirmed that the Fund would continue to focus on the issue of FGM as a priority area and would also continue its support for programmes on the prevention of gender-based violence. She noted that the Fund was launching a major campaign on FGM. In the area of HIV/AIDS prevention, she hoped that UNFPA could collaborate with the International Therapeutic Solidarity Fund. She noted that on a recent visit to Paris she had been informed by the Solidarity Fund of a short one-month treatment for pregnant women to reduce HIV transmission from mother to child. She observed that that could be a possible entry point for a joint intervention between UNFPA and the International Therapeutic Solidarity Fund. She also noted that UNFPA had further views on HIV/AIDS and maternal mortality reduction; however, the CCH might be a more appropriate forum to discuss them.

33. She noted that UNFPA would continue to expand its collaboration and cooperation with NGOs, the private sector and civil society. The Fund was focusing on strengthening NGO capacity and sustainability and had supported training for NGOs. Also, all UNFPA field offices had been directed to increase their collaboration with NGOs and civil society and to include them in programme policy discussions and training. Every year the Fund met with the NGO Advisory Committee that had been established by UNFPA as a follow-up to the ICPD. The Fund had also provided for NGOs to become more actively involved in the country programme process.

34. With regard to the budget, she stated that the administrative expenditures had not risen. The amount approved by the Executive Board was $139 million and the Fund had spent only $111 million, which represented a considerable savings of about 18 per cent. Noting that the budget was for a two-year period, she observed that in the future the Fund should not report on expenditures for only one year since it was misleading.

35. On the subject of emergency assistance and assistance to refugees, she pointed out that the Fund was collaborating with UNHCR and other organizations, including NGOs such as the International Federation of Red Cross and Red Crescent Societies. She noted that at a future date she would like to organize an informal meeting with the Executive Board on the subject of emergency assistance. With regard to the query on UNFPA collaboration with UNDCP, she confirmed that such collaboration was ongoing; for example, the Fund had programmes with UNDCP in Kenya and Thailand. In response to another question, she observed that while there was no country-specific programme on adolescent reproductive health in Montserrat, there was a subregional programme that included training activities.

36. She observed that the Global Initiative on Contraceptive Requirements and Logistics Management Needs was a very successful global programme. Most recently, there had been a large need for contraceptives in Indonesia, in the amount of $29 million.

37. She agreed that the regional overview section of the annual report had used a descriptive approach and observed that the Fund would endeavour to be more analytical in the future. UNFPA was discussing with its partners how the needs emanating from the country programmes could be better linked to the regional and interregional programmes. An evaluation was also going to be undertaken.

38. With regard to advocacy, she noted that training had been provided for all field office staff, Country Support Teams (CSTs) and also for national staff and Government counterparts. UNFPA had also provided advocacy training for parliamentarians, including women parliamentarians from Africa. She noted that while the report of the Secretary-General on Africa had not included much on population and development, the Secretary-General himself was very receptive to advocating for those key areas.

39. The Executive Board took note of the report of the Executive Director for 1997 on programme priorities, programme effectiveness, statistical overview and regional overview (DP/FPA/1998/3 (Part I), (Part I/Add.1), (Part II) and (Part III)).

40. The Executive Board requested the Executive Director to submit to the Executive Board at its third regular session 1998 a conference room paper on sector-wide approaches.

III. ABSORPTIVE CAPACITY AND FINANCIAL RESOURCES UTILIZATION

41. In response to Executive Board decision 96/27, the Fund had carried out a study on ways to help increase the absorptive capacity and financial resource utilization in UNFPA programme countries. The Report of the Executive Director on Absorptive Capacity and Resource Utilization in Programme Countries (DP/FPA/1998/4), which was before the Executive Board, was based on a number of sources, including a report commissioned by the Fund and undertaken by the consultancy firm of COWI, supported through funding from the Government of Denmark.

42. In introducing document DP/FPA/1998/4, the Deputy Executive Director (Programme) focused on the following: issues relating to absorptive capacity that were specific to population programmes and the work of UNFPA; issues that were relevant to development cooperation and operational activities more broadly, but were not restricted to the population sector; actions that UNFPA had already initiated in response to the study; and the commitment of programme countries themselves to address and solve the issues in spite of the many constraints that they faced. She noted that in many respects UNFPA assistance had been instrumental in building national capacity in the field of population, and the Fund's cooperation with programme countries had produced some notable results. Over the years, the Fund had done substantial work in training various types of population programme personnel and cadres. In fact, UNFPA was in the forefront in placing emphasis on training in all of its programmes of assistance and on building the capacity of training institutions in developing countries. The Fund's Technical Support Services (TSS) system and greater use of South-South cooperation were some of the innovations pioneered in support of training and institution-building. She stated that constraints such as the limited management capacity in programme countries, limited human resources and infrastructure in general, issues of civil service reform and decentralization, and funding of the social sector were common to most United Nations funds and programmes. UNFPA had already taken action in that regard by bringing the results of the absorptive capacity study to the attention of the United Nations Development Group (UNDG). UNDG would review the conclusions of the study, a step that was expected to lead to the development of common understanding and, where appropriate, common responses from the UNDG member organizations. UNFPA was also trying to make sure that in the UNDG and within the resident coordinator system there was greater understanding about, and common advocacy for, certain basic messages that all members of the UNDG should promote.

43. The Deputy Executive Director stated that the Fund had sharpened the focus on the management aspects of population programmes, by focusing more explicitly on such issues in the country programme development and programming process, through, inter alia, the introduction of certain new programming tools such as the logical framework analysis and stakeholder analysis. The Fund's TSS system had also been refocused to pay more attention to assessing and strengthening the management capacity of various national partners. Another related development was the revision of all UNFPA programming guidelines, which had been completed in 1997. Notably, the revised guidelines put into practice full decentralization of programming authority. Also under way was the revision of the Fund's financial monitoring system. The recommendations on indicators and advocacy contained in the study on absorptive capacity were also being addressed

by UNFPA, and the Fund was already placing greater emphasis on advocacy at all levels, in particular at the country level. Referring to the study's recommendation on expansion of collaboration with NGOs, she noted that in principle the Fund agreed with those suggestions; however, the Fund believed that a cautious approach was needed to help ensure that NGOs had the required capacity to sustain and expand activities. At the same time, it was important to ensure that NGOs complemented the activities supported by the Government. Clearly, the Fund's record in working with civil society spoke for itself, particularly as compared with the rest of the United Nations system. However, the Fund accepted that there were specific cases of countries where UNFPA could be even more active in strengthening collaboration with civil society. Concerning the recommendations on national execution, UNFPA was gratified that the study had recognized that the past approach of the Fund had been the correct one. The study had also noted the burden that the expansion of national execution placed on UNFPA field offices. In that respect, the Fund agreed fully with the recommendation regarding the strengthening of its field offices.

44. The Deputy Executive Director underscored the need to recognize fully the complexity of the situations where UNFPA programmes operated and the constraints that the Fund faced, many of which it had little control over. She noted that, for example, the COWI study had not emphasized enough the point that capacity-building was a long-term endeavour and, thus, neither donors nor recipients should look for quick results. Also, the matter of absorptive capacity was often not specific to population programmes. Thus, many of the issues raised by the study required the concerted effort of all partners, and not just the United Nations funds and programmes. She noted that the Fund's past efforts at building capacity had been constrained by problems with staff retention in the public sector and the lack of sustainability of institutions; those were not problems that UNFPA could address alone. A number of those issues could be tackled through the UNDG mechanism while others required the collaboration of all development partners, including bilateral donors. She reiterated that, ultimately, Governments had the responsibility of coordinating external inputs; more often than not, UNFPA, a relatively minor player in national population programmes, could not assume that role and could only aid a Government in coordinating assistance at its request. It could, however, serve a very useful role in forging links between the governmental and NGO sectors, and in defusing any apprehension that might exist on either side regarding such collaboration.

45. During the discussion that followed, several delegations agreed that, as indicated in the COWI study, the lack of management skills was the single largest constraint to the absorptive capacity of countries and to their ability to carry out effective population programmes. National capacity-building was essential to increasing the absorptive capacity of countries. In that regard, delegations emphasized the importance of training and underscored the need for UNFPA to focus on training national staff and developing their skills and competencies to plan, manage, monitor and evaluate population programmes and projects. One delegation observed that local or regional training of trainers was a key to ensuring capacity-building and to putting in place a sustainable training programme. The same delegation pointed out that the proliferation of the Internet in developing countries provided a means for donor countries to make their management tools available and accessible to developing country counterparts. Another delegation asked what were the plans to increase the

management capacity of government staff. One delegation expressed concern about the inadequate capacity of some countries to collect and process data. The delegation requested UNFPA to focus attention on strengthening that capacity. Another delegation suggested that UNFPA should help to improve government processes through concepts such as continuous quality improvement, which included improving performance by improving job descriptions, designing a better reward and incentive system, ensuring the availability of basic supplies and commodities, and converting supervisory visits into problem-solving sessions or quality checks instead of administrative visits. Two delegations stated that the issue of absorptive capacity should not be used as a pretext to withhold funds from programme countries. The importance of resource mobilization was also stressed.

46. Numerous delegations agreed that capacity-building was a long-term process and inter-agency coordination was essential for enabling it. One delegation, while concurring, stated that it was important to identify several stages of programme or institutional capacity-building and to develop indicators for each stage in order to monitor progress over the years. The same delegation stated that in addition to the approach suggested in paragraph 59 of document DP/FPA/1998/4, other possibilities existed to improve coordination. For example, the Government of Ethiopia, together with various donors, had recently pilot-tested a home page to improve coordination among donors and the Government. The home page included the strategies, goals and objectives of each key player in the country, country programmes, budgets and trip reports. Another delegation stated that in addition to inter-agency cooperation there should also be inter-delegation cooperation. One delegation observed that besides strengthening the capacity of government institutions, the Fund should also help to maximize the capacity that already existed in the public sector, within civil society or NGOs, or in the commercial private sector. Another delegation amplified on that point, noting that in addition to the capacity-building of Governments and NGOs, UNFPA should support the capacity-building and empowerment of its own staff, including through training for programme and financial management. One delegation stated that it would like to recommend a mechanism separate from the Fund's current approach for the allocation of resources to country programmes for the improvement of absorptive capacity.

47. Many delegations welcomed the development of indicators and noted their importance for measuring achievements in reproductive health, as well as in measuring programme management capacities. One delegation noted that in addition to national and global indicators it was essential to have tailor-made indicators at the programme level for effective monitoring. Several delegations noted that many of the issues raised in the report were common to all UNDG partners and recommended that issues such as capacity-building, indicators, logical framework analysis and streamlining of reporting requirements should be discussed and considered jointly in the context of UNDG and UNDAF. One delegation requested that the results of the UNDAF review be made available to the Executive Board. Another delegation noted that the UNDAF review would be made available in other United Nations forums.

48. Several delegations underlined the importance of promoting national execution and cooperation with NGOs and noted that UNFPA should adopt a flexible and pragmatic approach to national execution. One delegation, while agreeing

that it was important to promote national execution and cooperation with NGOs, underscored that the Fund should not bypass national Governments. Another delegation reiterated a finding of the COWI study that UNFPA was overly governmental in its focus and did not sufficiently explore collaboration with NGOs and other non-governmental actors. It also requested more information be provided in the next annual report on the Fund's collaboration with NGOs. The same delegation also drew attention to the COWI study suggestion that since in many countries UNFPA had very limited resources it should serve as a facilitator for larger donors. Many delegations underscored the importance of the Fund's participation in the sector investment programmes (SIPs) and welcomed the fact that UNFPA had been in discussions with the World Bank and other bilateral donors on that subject. The delegations concurred with the Fund's view that reproductive health concerns were not suitably addressed in the SIPs.

49. One delegation stated that the TSS system should be developed to respond even more effectively to needs at the country level. Another delegation expressed concern that HIV/AIDS prevention was not adequately addressed by the CSTs. One delegation noted that it attached great importance to backstopping by the TSS and that it supported UNFPA efforts to co-sponsor programmes with the World Bank. Another delegation stressed the importance of UNFPA being able to access the right kind of skills and expertise it needed from outside sources. One delegation asked if South-South cooperation activities were being supported by the Fund in the area of absorptive capacity and added that UNFPA should be more innovative in its approach to South-South cooperation. Another delegation noted that the Fund should consider going beyond existing formal structures for South-South cooperation, adding that its Government had been successful in supporting same-country NGO-to-Ministry of Health technical assistance and had also introduced management and supervision concepts from Indonesia to Bangladesh to Kenya using local consultants from each country.

50. Citing subparagraph (g) of paragraph 71, one delegation recommended that the Fund should also work towards harmonization of its own reporting requirements with those of other agencies so that the reporting burden on programme countries would be reduced. The same delegation also underscored the importance of creating a sense of ownership and partnership in programme countries through integrating planning, implementation and follow-up in the structures that existed in the respective country. Other delegations echoed the important need for donors to harmonize their administrative and reporting requirements. One delegation, citing the same subparagraph, advised the Fund to be cautious in its approach. It also encouraged the Fund to work with UNDP in that area. Another delegation observed that the operational proposals in section V of document DP/FPA/1998/4 were too general and should be fleshed out. The delegation underscored that sustainability was the core issue in capacity development and it was essential to change from a provider mentality to one of partnership. Several delegations reiterated the need for UNFPA to strengthen its field offices and, inter alia, to use local expertise to do so. Numerous delegations endorsed the recommendations contained in the report, and some noted that they looked forward to receiving, at a later date, an update of the implementation of recommendations in the report.

51. In her reply, the Deputy Executive Director (Programme) thanked the delegations for their encouraging comments and suggestions. She assured

delegations that the lack of absorptive capacity was not used as a pretext to reduce resources to programme countries. She agreed on the importance of empowering national staff through capacity-building, including increased training in management skills. She also agreed that it was important for UNFPA to pursue participation in the SIPs. With regard to collaboration with NGOs, she noted that NGOs were actively involved in the Fund's country programmes, including as executing agencies. At the same time, it was important to bear in mind that as an intergovernmental organization, UNFPA had to act in concert with the Government. She agreed that in some countries further efforts could be undertaken to increase NGO involvement. She pointed out that with the new guidelines and the subprogramme approach, there was a greater emphasis on anchoring programmes locally and involving all stakeholders, including NGOs and civil society, in the programme design and analysis. Also, the Fund had supported activities to strengthen NGO capacities and sustainability. She noted that many of the Fund's procedures had been simplified to facilitate collaboration with NGOs and that financial reporting procedures would also be simplified. She asked if simplification of procedures was also being discussed in the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC) and whether it might be possible to harmonize the United Nations system procedures and those of the bilateral agencies. She observed that efforts were already under way to increase the involvement of CSTs in HIV/AIDS-prevention programmes, including through adjusting job descriptions. She affirmed that the TSS system had been set up to respond to country needs. The TSS advisers had been asked to develop lessons learned and best practices to be shared widely, including on such topics as male involvement in reproductive health.

52. With regard to South-South cooperation, she noted that the Fund's activities did indeed go beyond existing formal structures. The Fund was supporting a wide range of South-South activities, including some with NGOs. She added that field office staff had been instructed to make wider use of South-South cooperation and to make funds available for such activities. She agreed with the point that indicators needed to be both adjusted locally and related to various stages of development. She noted that the Fund was reviewing the COWI manual on assessing national capacity in population programmes and observed that it would have to be considered in line with the Fund's own policies and guidelines. While agreeing that the Fund's field offices had to be strengthened both in terms of quality and quantity, the Deputy Executive Director noted that field staff were undergoing training to increase their skills and capacities. For example, in recent years 102 staff from 90 field offices had been given financial management training; more than 50 per cent of those trained were from offices in Africa. She also agreed that the UNFPA representatives had to be further empowered to participate in the SIPs. Concurring that capacity-building was a gradual and long-term process that had to be accomplished in collaboration with other development partners, she pointed out that frequently several other actions had to precede capacity-building, including the building of various structures in-country. She stressed that the aim was to increase national execution but she agreed that it was necessary to take a flexible approach. She appreciated the suggestions offered by delegations regarding increased use of the Internet and the ability to obtain skills and expertise as needed and noted that it would be important first to canvass for local skills before looking outside. She noted that the Fund had

developed performance indicators in its three programme priority areas and also on capacity-building and those were included in the guidelines. She observed that the indicators should be regarded as work-in-progress that would be refined over time.

53. The Executive Director noted that UNFPA had undertaken a consultancy in-house to study the issue of financial reporting and she hoped to present the results to the Executive Board at an informal meeting at a later point. The Fund was ready to implement the recommendations of the study. With regard to the SIPs, she stated that the Fund was in touch with the World Bank and had held discussions on the subject. The World Bank agreed that the SIP guidelines on health did not adequately include the area of reproductive health and had suggested that UNFPA work with the World Bank to strengthen that area. She added that the Fund also needed to participate in health sector reform and to ensure the inclusion of reproductive health. She observed that those issues would be included in the conference room paper that the Fund would prepare on sector-wide approaches. Responding to the query on HIV/AIDS, she noted that the Fund was an active co-sponsor of the Joint United Nations Programme on AIDS (UNAIDS) and was supporting HIV/AIDS-prevention activities in 132 countries. Although the Fund might not be able to undertake everything in the area of HIV/AIDS prevention, it endeavoured to incorporate such activities, to the extent possible, in its population and reproductive health programmes. Concerning the role of the resident coordinator, the Executive Director stated that the resident coordinator had a highly important role in promoting advocacy and coordination at the country level. UNFPA had supported a training module on ICPD follow-up that was used in the resident coordinator training at the United Nations Staff College in Turin, Italy. The guidelines and other products produced by the ACC Task Force on Basic Social Services for All were also being used by the Turin Centre for training resident coordinators. Similarly, the UNDAF process also sought to inculcate a collaborative and coordinated approach among members of the United Nations country team, through orientation and training. In that regard, she noted that more needed to be done to ensure the inclusion of population and reproductive health issues in those training programmes. Also, further efforts were needed to ensure that all United Nations staff became advocates for ICPD, its key issues, and those emerging from the other recent United Nations global conferences.

54. The Executive Board adopted the following decision.

98/10. UNFPA: Absorptive capacity

The Executive Board

1. Takes note of the report of the Executive Director on absorptive capacity and financial resource utilization in programme countries (DP/FPA/1998/4);

2. Also takes note of the importance of South/South cooperation in enhancing absorptive capacity;

3. _Further takes note_ of the need to enhance, where appropriate, the role of civil society organizations and the private sector;

4. _Endorses_ the actions already taken to increase the absorptive capacity and resource utilization in programme countries, including, _inter alia_, training and the issuance and implementation of the new UNFPA Policies and Procedures Manual;

5. _Endorses_ the recommendations for further developing absorptive capacity and resource utilization in programme countries contained in document DP/FPA/1998/4;

6. _Urges_ the Executive Director to take the steps necessary to implement the recommendations contained in document DP/FPA/1998/4, bearing in mind the comments made by delegations at the 1998 annual session;

7. _Requests_ the Executive Director to report to the Executive Board on follow-up to the recommendations contained in document DP/FPA/1998/4 at its third regular session 2000.

12 June 1998

IV. WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY

55. The Deputy Executive Director (Policy and Administration) introduced the two reports before the Executive Board: Work plan for 1999-2002 and request for programme expenditure authority (DP/FPA/1998/5); and Status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1998/8). He highlighted the most salient points of the three main components of the report on the work plan, namely, the resource situation and utilization in 1997; the projected income and the proposed utilization of programme resources; and the programme expenditure authority of the Executive Director for 1999. He stated that in view of the extensive discussions with Executive Board members during the preceding two days, particularly on the resource mobilization strategy, the Fund agreed that the income assumption for 1998, on which the work plan was based, should be adjusted. That would affect the projected income for 1999, 2000, 2001 and 2002 although the Fund proposed to maintain the annual growth in income of 7 per cent. UNFPA now assumed an income from regular resources, including contributions from private foundations, for 1998 of $310 million, including the increases in contributions announced earlier in the week by Finland and China and the announcement by Japan that it would use a fixed exchange rate favourable to UNFPA in order to minimize the influence of the exchange rate on its contribution. That yielded an income estimate from regular resources for the four-year period of 1999-2002 of $1,474 million, i.e., $45 million less than the original estimate. The Fund would maintain the estimates of multi-bilateral resources at $100 million for the work plan 1999-2002. A revised table E was distributed to the Board with the new figures. The Deputy Executive Director proposed that the programme resource figures as contained in paragraph 19 be modified accordingly. In particular, the request for approval of the 1999 programme expenditure authority should be $263 million instead of $271 million

as originally requested. He then referred to document DP/FPA/1998/8 and noted that it was an informational report that presented financial data showing the degree of timeliness of the implementation of country programmes and projects. The report revealed that UNFPA was on target with delivering the amount from regular resources in its country programmes although the Fund needed additional resources in order to deliver the total amount combining regular and other resources.

56. During the discussion that followed, several delegations expressed their appreciation for the work done by UNFPA in promptly reformulating a work plan based on updated donor commitments and for revising figures to reflect that. Most delegations agreed with the income assumption of an annual rate of growth of 7 per cent for the work plan period 1999-2002, and stated that the Fund needed to be both bold and optimistic. Some delegations stated that they were in favour of a more realistic approach based on a less ambitious estimate. One delegation, also speaking on behalf of another, stressed the need for a more realistic approach to planning. The delegation underscored that the work plan and request for programme expenditure authority was not an advocacy (fund-raising) document but a planning tool for financial and programming purposes with appropriate expenditure approval authority. The same delegation expressed concern about the methodology of projecting the rate of income growth based on the average recorded over the last 10 years. The delegation proposed that the Executive Board should consider the establishment of a prospective approach based on an analysis of, on the one hand, the growth of donor contributions, and on the other hand, the parity of the dollar. Concerning the work plan for 1999-2002, the delegation pointed out that in view of the decline in core resources during the previous two years, the projected annual rate of increase should not be higher than 5 per cent, which was the result given by the current methodology. One delegation emphasized that in order to attract greater resources it was necessary to use optimistic rather than pessimistic income assumptions. Several other delegations concurred with that viewpoint. Several delegations, citing table H in document DP/FPA/1998/5, stated that they agreed with the intended distribution of resources to the four geographical regions. Some delegations stated that resource allocations to Africa should be increased as there were a large number of category A countries in that region. Other delegations stated that the Asia and the Pacific region should not be neglected as there were many category A countries in that region and Asia had a far larger population than Africa. Several delegations were pleased to note that the amount of the carry-forward of programmable resources from 1997 to 1998 had been reduced and that no carry-forward was projected from 1998 to 1999. Many delegations also welcomed the fact that the resource utilization ratio in 1997 increased to 95 per cent from 90 per cent in 1996. One delegation stated that the Fund's operational reserve was too high and that decision 93/28 should be revisited with a view to seeing 20 per cent as a ceiling rather than as an absolute norm, or fixing a cap at an amount judged reasonable by the Board. The same delegation asked why the operational reserve in 1997 had been 21.7 per cent when the Fund's income had declined in that year. A few other delegations also observed that the operational reserve appeared to be too high. Some delegations asked for clarification on the $20 million from private foundations: two delegations asked if that income was limited only to 1998 or was renewable; another delegation asked how the income termed "supplementary" resources and listed under regular resources differed from multi-bilateral resources. One

delegation asked why $27 million figured in the income for 1997 if it had not been received in that year. The same delegation also asked how UNFPA planned to cover the administrative costs resulting from the additional multi-bilateral funds.

57. One delegation suggested recasting the work plan as less an expenditure approval formality and more a statement of strategic direction and related planning for the coming four years with the inclusion of likely funding scenarios necessary to achieve a specific set of aims and objectives. Such a work plan might be of general value to UNFPA in raising resources and would also be useful to donors whose internal resource allocation decisions depended on the consideration of competing bids from a variety of sources. Thus, a forward-looking, output-focused work plan linked to various funding scenarios could serve as a persuasive resource mobilization tool. Another delegation, while agreeing that the work plan should be developed as a strategic planning tool, observed that the allocations to the administrative budget should be reduced and UNFPA should be able to handle increased resources without having to augment the administrative budget in the same proportion. Another delegation also emphasized that the proportion of administrative costs of projected increased resources should decrease over time in order for more resources to be made available for programme work. Several delegations pointed out that ICPD+5 provided opportunities to increase funding. Numerous delegations also reiterated the need for a sustainable and predictable funding strategy for UNFPA that would not hold the Fund hostage to uncertainty. One delegation stated that multi-year pledges were necessary to assure predictability and growth in funding.

58. At the conclusion of the discussion, one delegation noted that of the Fund's top 10 donors who had made interventions, seven were comfortable with the income assumption of an annual growth rate of 7 per cent. The delegation underscored the significance of that, since those seven donors represented over 80 per cent of the contributions made to the Fund.

59. In his reply, the Deputy Executive Director (Policy and Administration) thanked the delegations for their positive comments and welcomed the suggestion that in the future the work plan should be a strategic and forward-looking document including how the Fund would make use of additional resources. While pointing out that the work plan was a four-year rolling plan that was revised annually, he noted that since it was a dynamic planning tool, it was necessary to be optimistic with regard to the annual growth rate of income. He noted the concern expressed by some delegations regarding the need to increase distribution of resources to the Africa and the Asia and the Pacific regions. With regard to the query on the income from private sources, he observed that the Fund believed it to be sustainable, especially since UNFPA had been the recipient of the largest grant from the first tranche of funds distributed by the United Nations Foundation. He stated that the private-sector contribution was treated as part of regular resources since the funds were used for approved country programme activities. In the future, the Fund would also review how to use multi-bilateral resources as it felt that those resources should be treated in the same way. He noted that the country programmes approved by the Board had multi-bilateral resource components.

60. With regard to the operational reserve, the Deputy Executive Director agreed that it should be revisited while pointing out that in the meantime UNFPA was bound by decision 93/28 to maintain the reserve at 20 per cent of income. He noted that in the past, on a few occasions, UNFPA had had to draw down from the reserve. Nevertheless, the Fund would be pleased to discuss the issue of the operational reserve further, either informally or formally. He added that UNFPA would check and respond later to the query on the reserve having been 21.7 per cent of income in 1997. Responding to another question on multi-bilateral resources about the amount of $27 million, he noted that it had been pledged by the European Union but had not been received by the end of 1997 and hence was a part of the carry-forward. He observed that current financial rules regarding multi-bilateral resources did not allow project activities to commence until the funds had been received. He added that given an unpredictable resource situation and untimely payment of contributions, carry-forwards were unavoidable. He agreed with the delegations who had pointed out that the ICPD+5 process provided opportunities to increase resources for the Fund.

61. The Executive Board adopted the following decision.

98/11. UNFPA work plan for 1999-2002 and programme expenditure authority

The Executive Board

1. Notes programme resource planning proposals of the Executive Director as set out in document DP/FPA/1998/5 and as revised by the Deputy Executive Director at the annual session 1998;

2. Approves the request for 1999 programme expenditure authority at a level equal to expected new programmable resources for 1999, currently estimated at $263 million, and requests the Executive Director to report to the Executive Board on any significant increases or shortfalls in estimated income for the year 1999;

3. Notes the following estimates of new programmable resources from regular resources for programme planning for the period 2000-2002: $283 million for 2000; $303 million for 2001; and $325 million for 2002;

4. Requests the Executive Director to take steps to evolve the work plan into a more focused, analytical and outcome-orientated document;

5. Invites the Executive Director in formulating the work plan for 2000-2003 to increase the proportion of programmable resources.

12 June 1998

62. The Executive Board took note of the report on the status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1998/8).

V. PERIODIC REPORT ON EVALUATION

63. The Deputy Executive Director (Programme) introduced the Periodic Report on Evaluation Activities (DP/FPA/1998/6), which had been prepared in response to Governing Council decisions 82/20 and 90/35, and which focused on evaluation activities undertaken in 1997 and provided information on how evaluation results had been used in UNFPA programming. She noted that all UNFPA-supported projects had built-in requirements for internal evaluations, which were increasingly being supplemented by external evaluations. An important evaluation completed in 1997 assessed the experience with various modalities for executing UNFPA-supported programmes. The evaluation had identified a set of criteria for assessing potential executing agencies and those had been issued by UNFPA in the form of a checklist for use in the process of programme development in defining, implementing and executing modalities. She stated that UNFPA was continuing its efforts to define performance indicators in the Fund's three priority areas and the selection of those indicators in relation to each programme would be based on the purposes of the programme, as well as realities in terms of data availability. She concluded by underscoring the Fund's commitment to the principle of accountability to its donors, to the Board and to its partners in programme countries.

64. During the ensuing discussion, several delegations commended the report for its content and structure and welcomed the Fund's increased commitment to monitoring and evaluation and to applying the lessons learned from evaluations to strengthen and improve strategies and programmes. A number of delegations suggested that the Fund should increase the number of external evaluations as well as undertake joint evaluations with other organizations. Several delegations noted that they would welcome receiving as many of the thematic evaluation reports as possible. Noting that the thematic evaluations were very useful, one delegation stated that the results of those evaluations should be fed back to the whole system and not just to the target countries. Many delegations expressed interest in learning about the findings and outcomes of the thematic evaluation on Safe Motherhood programmes and on the integration of HIV/AIDS and reproductive health activities. One delegation inquired if the latter would look at the role of social marketing in the prevention of HIV/AIDS. Another delegation noted that impact studies on HIV/AIDS-prevention activities would help to increase the level of support from its country, which attached high importance to HIV/AIDS prevention. One delegation, observing that no country from southern Africa had been included in the thematic evaluation on HIV/AIDS-prevention activities, noted that at least one country from the region should be included, given the enormity of the epidemic in that part of the world. Another delegation stated that its country had undertaken a number of ground-breaking efforts in the area of evaluation of HIV/AIDS programmes and that in the future it would keep UNFPA informed of such efforts. The same delegation noted that in a number of countries, including Bolivia, Madagascar and Nicaragua, its Government and UNFPA had jointly supported national-level population and service facility-level data collection that had been useful in the evaluation of UNFPA programmes. The delegation hoped that such collaboration would continue.

65. Several delegations welcomed the work undertaken by the Fund to develop population and reproductive health indicators. One delegation asked how those

indicators related to the core indicators developed by DAC to measure follow-up to the United Nations global conferences. The same delegation added that the evaluation report for the following year should include a compliance report on evaluation. It also noted a declining trend in support to advocacy. Another delegation inquired as to what steps would be taken to ensure the availability of good data, vis-à-vis the indicators that had been developed. Some delegations suggested that greater attention should be focused on impact analysis and on results rather than on process. One delegation offered its assistance to the Fund for the conduct of synthesis work and impact analysis and asked for additional information on the impact of UNFPA support with regard to the reduction of maternal mortality and the training of traditional birth attendants.

66. Another delegation, citing paragraphs 8-10 of the report, stated that weaknesses in managerial aspects were not unique to UNFPA but were also visible in UNDP and UNICEF; thus, it would be fruitful to discuss those issues in the context of UNDG and UNDAF. The same delegation asked what mechanism was used in the selection of consultants and noted that tenders for consultancy services would make for greater transparency. One delegation, referring to paragraph 7, asked why there had been no systematic evaluation of the strengths and weaknesses of national institutions and external agencies and requested an explanation regarding the delay in disbursement of funds mentioned in paragraph 25. Another delegation, citing paragraph 8, emphasized that capacity-building at the NGO level should be paralleled by capacity-building at the government level. One delegation stressed the important capacity- and institution-building role that the Fund needed to play. Another delegation welcomed the evaluation of intercountry South-South cooperation activities discussed in paragraph 39 of the report and expressed the hope that the report of the following year would also include evaluations of in-country South-South cooperation activities. Another delegation stressed the need to identify and improve the public administration gaps found in countries. One delegation asked if the subject of evaluations in the context of sector-wide approaches had been discussed.

67. The Deputy Executive Director (Programme) thanked the delegations for their positive comments and suggestions. On the subject of indicators and data availability, she emphasized that the indicators selected should be practical and of the type for which data could be gathered without imposing heavy burdens on countries. While it was important to have certain standard indicators, that might be feasible only at national and global levels since there was frequently a need to adjust indicators at local levels. With regard to the DAC indicators, she noted that while UNFPA was not normally invited to the DAC meetings, there were links between the DAC indicators and those developed by the ACC Task Force on Basic Social Services for All, chaired by UNFPA. Responding to the point raised about the declining trend on advocacy, she pointed out that the statistics on advocacy did not in fact convey the full picture as most of the UNFPA-supported programmes on reproductive health and population and development strategies also included advocacy components. With regard to the suggestion about a compliance report, she noted that while it would be possible to report on evaluations the following year, the report could not be termed a compliance report since external evaluations of country programmes had not been mandatory until the recent issuance of new guidelines. Given that country programmes were

for a four- or five-year period, compliance could be judged only at the end of such a period. She noted that greater use would be made of the UNFPA Country Support Teams and the field offices to conduct evaluations.

68. She agreed that it was important to report the findings and outcomes of evaluations to the Executive Board and that certain areas - for example, gender - were well-suited to joint evaluations; however, evaluations would not be practical or cost-effective for every small project. She observed that external evaluations were carried out by persons not involved in the programme design or implementation. Responding to the query on South-South cooperation, she noted that the new guidelines required reporting from each programme and subprogramme on activities and outcomes in such areas as South-South cooperation and gender. She clarified that the references in paragraphs 10 and 34-39 were to interregional projects. She took note of the suggestions on collaboration made by one delegation and stated that the Fund would follow up on those suggestions. She noted that the point about evaluations in relationship to the sector-wide approaches was important and thus it was an area that needed to be looked at carefully. Both donors and programme countries would need to ensure built-in evaluations and that would be one area where joint evaluations would be useful. With regard to the point about managerial weakness, she agreed that it went beyond what any one organization could achieve alone and the Fund had put the issue on the agenda of the UNDG. She stated that with the use of the logical framework analysis, recognition of the importance of monitoring and evaluation as a package would increasingly permeate the thinking of all staff.

69. The Chief, Office of Oversight and Evaluation (OOE), stated that with the issuance of the new guidelines, analysis of the country programmes should become routinized and the OOE planned annual syntheses of such evaluation results and findings, which could be made available to Executive Board members. She noted that the reports of thematic evaluations were shared with the Fund's development partners and distributed to the missions in New York. The reports on the evaluation of adolescent reproductive health programmes and on the training programmes for traditional birth attendants had been made available at the annual session 1997 of the Board; however, additional copies could also be provided on request. She cautioned against mixing up project and programme level evaluations, noting that at the project level built-in evaluations were emphasized and at the programme level there was a need for a clear record of lessons learned and achievements from cycle to cycle. She took note of the suggestions on joint evaluations and observed that such exercises were not easy to mount and it would be important to ensure value-added in each case. The Chief, OOE, added that she welcomed any monitoring and evaluation experiences that Executive Board members might wish to share with UNFPA, including those on joint exercises. She observed that the OOE was not the only unit in the Fund managing evaluations, as country programme and project evaluations were managed by the geographical divisions and interregional project evaluations were managed by the Technical and Policy Division.

70. Responding to the query on the evaluations of national institutions and external agencies, she noted that in the past evaluations there had not been an agreed set of criteria for assessing potential executing agencies; those had now been developed, however. Regarding the delay in disbursements of funds referred to in paragraph 25, she pointed out that the delay had been due to the fact that

some organizations were not decentralized and every item had first to be referred to headquarters. She stated that so far no tenders had been used to recruit consultants for conducting evaluations because of the need to ensure gender and geographical balance in evaluation teams, in addition to the complement of needed expertise. She regretted that no country of southern Africa had been included in the thematic evaluation of HIV/AIDS programmes but added that the selection criteria had been the content and magnitude of the UNFPA programme in the country. In addition, UNFPA support of HIV/AIDS-related activities in southern Africa was too recent to be evaluated. She outlined some of the findings that had emerged from the country case studies. On staff training, she noted that the Fund would be sending two field staff members to a pilot training course organized by UNDP in Pakistan, on monitoring and evaluation in results-based management.

71. The Executive Board adopted the following decision.

98/12. UNFPA: Evaluation

The Executive Board

1. Welcomes the report of the Executive Director on United Nations Population Fund evaluation activities (DP/FPA/1998/6) and the progress made by the United Nations Population Fund in revising its monitoring and evaluation guidelines, which emphasize effectiveness and outputs;

2. Encourages the United Nations Population Fund to continue its efforts to enhance the analytical content of the periodic report on evaluation activities, particularly in regard to outcomes, achievements and lessons learned;

3. Requests the Executive Director actively to seek opportunities to undertake joint evaluations, where appropriate, with partner organizations and Governments;

4. Also requests that efforts be made to increase further the percentage of external evaluations and to continue to report to the Executive Board on progress made towards this objective in the periodic report on evaluation activities;

5. Requests the Executive Director to include in the periodic report on evaluation activities, starting in the year 2000, an annex providing a record and analysis of evaluation compliance for all country programmes completed in the previous biennium in line with the evaluation work plan of the United Nations Population Fund.

12 June 1998

VI. INFORMATION AND COMMUNICATION STRATEGY

72. In accordance with decision 97/13, the Director of the Information and External Relations Division (IERD) presented an oral report on the implementation of decision 97/13 on the Fund's information and communication strategy. In accordance with the request of Executive Board members at the informal session in May 1998, the oral report had been made available in written form on the opening day of the annual session. In his oral presentation, the Director highlighted the information and communication strategy being implemented at programme and international levels. He noted that UNFPA information and communication materials under each country programme were unique to that country and were designed to reflect the needs and priorities of each country and each programme, including the need for materials in local languages. To promote the goals of the ICPD, the Fund worked with all its allies, including Governments, NGOs, civil society and the private sector. In donor countries, the Fund targeted decision makers, parliamentarians and the general public. The Fund's goal was to move each group from understanding, to commitment, to action. Each field office had an advocacy plan based on the situation of that country and guided by the following imperatives: What was the issue? Who was the target audience? What was the message? Who were the allies? What were the tools to be used?

73. The Director, IERD, pointed out that several examples of successful activities undertaken by the Fund were included in the recent publication UNFPA at Work, which had been distributed at the second regular session 1998 of the Executive Board and was also available at the current session. One activity that had proved very successful at the programme-country level was the use of nationally known Goodwill Ambassadors, as, for example, Safia El-Emary, who had been very active in Egypt and was also helping in Lebanon. The work of the Fund's Goodwill Ambassadors at the international level continued to provide much favourable publicity for the Fund and its work. The work of supermodel Waris Dirie in combating female genital mutilation had generated considerable press attention in many donor countries, especially in Europe and the United States of America. Film star Keiko Kishi had initiated a fund-raising campaign in Japan asking each citizen to contribute 100 yen to the work of the Fund and had been instrumental in working out an agreement with All Nippon Airlines to be the Fund's official carrier, which included showing a video produced by UNFPA and requesting donations from passengers. Other Special Ambassadors recruited to represent UNFPA and NGOs in individual donor countries included Goedele Liekens in Belgium, Mikko Kuustonen in Finland, Carrie Crowley in Ireland, Cattis Ahlstrom in Sweden and Magenta Devine in the United Kingdom.

74. The Director noted that political will was essential to ensure that Governments around the world moved from understanding, to commitment, to action with regard to population and reproductive health issues. Official development assistance (ODA) was declining but the Fund remained committed to promoting and advocating for universal reproductive health, gender equity and equality and women's empowerment. The main constraints the Fund faced in implementing its information and communication strategy were insufficient funding and staffing and the fact that UNFPA was considered controversial. In terms of advertisements and promotionals, it cost $350 million to introduce a new household product in Europe. To air a 30-second advertisement on television in

the United States of America cost about $20,000. To place 25 to 30 posters in subway and train stations in each of the European Union member countries for between one to three months cost about $1.5 million. UNFPA had a very small staff to run its media and advocacy campaigns, prepare and produce information materials and do fund-raising. Too often the Fund was required to be reactive rather than proactive because of the controversy surrounding certain population and reproductive health issues. Frequently, the Fund had to contend with the lies and organized campaigns of its opponents. Several Governments had asked UNFPA to assist them in defending themselves and the Fund in the face of such controversies. Nevertheless, the Fund remained firmly committed to promoting and implementing the ICPD Programme of Action. The Director concluded by affirming that, as stated by the Executive Director, each UNFPA staff member was an advocate and committed to the Fund's mandate and mission, which was supported by the 179 nations that created and endorsed the ICPD Programme of Action. The Director welcomed the guidance and support of the Executive Board and stated that UNFPA was greatly encouraged by the Board's commitment to assist with the Fund's resource mobilization efforts.

75. Numerous delegations expressed their appreciation for the clarity and quality of the report and commended UNFPA for its commitment and work in the area of information, communication and advocacy. One delegation stated that it was intrigued by the systematic fashion in which the report presented the clear linkages between the target audience, the tools of communication and the messages. Many delegations noted that in spite of a small staff, the Fund had achieved a great deal. Several delegations underscored the importance of advocacy in raising awareness about population issues, ICPD and UNFPA, and emphasized the importance of seeking alliances with NGOs, the private sector and other United Nations agencies and organizations. One delegation, while asking whether UNFPA cooperated with UNDP, UNICEF and UNAIDS in the area of information and communication, noted that part of the success obtained by UNICEF was through a network of national offices and UNFPA should also have such a network. Several delegations commended the use of Goodwill Ambassadors and Special Ambassadors and suggested increased use of nationally famous stars and the mass media to promote ICPD and raise public awareness about population issues. One delegation offered to assist the Special Ambassador in Ireland and also took note of the need for donor support for public service announcements. Another delegation, while noting that the work of the Special Ambassador in its own country was becoming increasingly well known, proposed that the Special Ambassadors be invited to attend an Executive Board session in 1998 or in 1999.

76. One delegation underscored the need to continue to sustain efforts in the campaign against FGM. The same delegation, while expressing appreciation for donor efforts in programme countries to implement the information and communication strategy, stated that Member States should join hands to support the Fund and there should be a pooling of efforts in order to sensitize people and raise awareness about population and reproductive health issues. Another delegation stated that it was important to distinguish between advocacy for ICPD and UNFPA and advocacy for fund-raising. One delegation asked how the Fund, in its advocacy efforts, struck a balance between the two sides on the abortion issue.

77. Another delegation, citing paragraph 5 of decision 97/13, requested additional information on the impact measurement of information and communication activities. The delegation also referred to the importance of maintaining linguistic balance in the electronic dissemination of information, as called for in decision 97/13, and expressed regret that currently the UNFPA Web site was available only in English. The delegation stated that the Web site should also be made available in French. Another delegation concurred that there should be linguistic balance in the electronic dissemination of information. The same delegation inquired about the Fund's internal communication at headquarters, with the field and with its development partners. The delegation added that the communication strategy should have been tied to the setting out of UNFPA priority issues for 1998 (see DP/1998/13). Also, information should be provided on activities, the budget and progress to date.

78. One delegation, while noting that UNFPA had undertaken an impressive number of communication and information activities, offered the following suggestions: greater attention should be given to monitoring and evaluating the impact of communication activities both at the international and programme level, for example, through (a) periodic surveillance of key audience groups to learn how they used UNFPA publications and what they found most useful; (b) measuring the success of the use of nationally recognized Goodwill Ambassadors; and (c) determining the volume of publications and videos distributed in comparison to previous years and by assessing the impact of those materials on target audiences. The delegation added that it would appreciate an elaboration on the Fund's overall strategic approach to information, education and communication (IEC) activities related to reproductive health, including family planning, and on how the Fund was collaborating with other organizations to share resources and avoid duplication of IEC efforts. Two delegations noted that one way to garner additional donor support would be to communicate clearly to donor countries the results achieved by UNFPA. One avenue for accomplishing that would be through sharing evaluation results.

79. In his response, the Director, IERD, thanked the delegations for their comments, advice and encouragement. He expressed appreciation for the impressive information and communication activities undertaken by Brazil and thanked the delegation of Ireland for its offer to assist the Special Ambassador in Ireland. He stated that UNFPA collaborated with a number of United Nations agencies and NGOs in undertaking various information and communication activities. For example, the Fund was collaborating with UNIFEM in a campaign on the prevention of violence against women and had financed the development of an HIV/AIDS clock, produced with UNAIDS. UNFPA had also collaborated with UNDP and UNICEF on producing various booklets and other publications. In all countries, UNFPA collaborated with NGOs in undertaking a variety of information and advocacy activities. In Europe, the Fund, together with 18 NGOs, had launched its Face-to-Face campaign and had recently worked with selected NGOs on developing public service announcements on the prevention of teenage pregnancy. The Director added that UNFPA also worked with United Nations Associations around the world but had found that they tended to low-key population and reproductive health issues and news and information about the work of the Fund. He observed that in some countries the Fund had also collaborated with the United States Agency for International Development (USAID). He noted that influential people and additional staff and financial resources were required to

set up national committees. It took approximately $1 million and a period of two years to set up a national committee. He also stated that he had asked all donor Governments for advocacy support and each had mentioned that they would be able to support only programme activities, not advocacy.

80. With regard to the issue of abortion, he underscored that in keeping with the ICPD Programme of Action, UNFPA focused on making family-planning services available. Approximately 70,000 deaths per year were caused by abortion. Unsafe abortion should be dealt with compassionately and medically. Where abortion was legal, it should be safe and follow-up counselling and family-planning services should be provided. The provision of safe, effective and affordable family planning services would reduce the incidence of abortion. The right to family-planning information and services was a human right.

81. The Director noted that two major events in 1999 would be the ICPD+5 and the Day of Six Billion. He added that all the round tables and meetings being organized in connection with the ICPD+5 review and appraisal were also being used as opportunities to remind the world and the international community about the commitments made at the ICPD in 1994. He stated that the Fund was working with a large number of NGOs and civil society organizations in that regard. The Director observed that UNFPA developed written materials based on the ICPD Programme of Action in user-friendly formats. Those materials were made available to journalists and media personnel with permission for free use and translation. He observed that while several programme countries aired UNFPA public service announcements, only two donor countries, Belgium and the United States, aired such announcements. He added that the main message of those announcements, as well as the messages conveyed by the Special Ambassadors, focused on promoting the goals of the ICPD and not on fund-raising. He stated that the next State of World Population report would focus on the results and progress achieved since the ICPD and constraints and challenges encountered. The Director noted that most UNFPA publications appeared in four languages and some in more languages, for example, the report on the State of World Population was published in 23 languages. All videos were produced in three languages. Efforts were under way to make the UNFPA Web site available in languages other than English. He observed that the Fund was inundated with requests for publications, videos and other materials and its budget for those materials was overstretched.

82. On the subject of evaluations, the Director noted that information was not an exact science. Benchmarks were needed. It would be difficult, for example, to evaluate the impact of a news story that appeared on television. Evaluating the impact of advocacy was complex and had to be carried out over a period of time. In programme countries, the Fund endeavoured to measure impact, for example, through the contraceptive prevalence rate and other health indicators. UNFPA also sought to monitor and measure impact through the audience feedback that it asked for and received from television stations airing UNFPA public announcements. He indicated that UNICEF, UNDP, UNFPA and the information chiefs of the development assistance agencies of four northern European countries had met for two days in 1997 to discuss evaluation and could not agree on the best approach since most feedback mechanisms cost more than the original information activity. He asked the Executive Board members to share with the Fund their experiences in that area.

83. The Deputy Executive Director (Policy and Administration) noted that Special Ambassador Keiko Kishi of Japan had been invited to attend a session of the Executive Board but so far her busy schedule had not permitted such a visit. However, the Fund would continue to pursue the matter.

84. The Executive Board took note of the oral report on the UNFPA information and communication strategy.

VII. UNFPA RESOURCE MOBILIZATION STRATEGY

85. As agreed at the pre-session informal consultation held on 12 May, the discussion on the UNFPA resource mobilization strategy focused on three issues in particular: the predictability of resources; the volume of resources; and the timely payment of contributions.

General comments

86. Several delegations made general comments concerning resource mobilization and the funding of UNFPA. One noted that it was not just an issue of resource mobilization but one of improving the financial basis of UNFPA. Another stressed that the discussion was not about funding an organization, but about funding an objective, particularly in view of the ICPD+5 process, which could not be ignored in the discussions of the Executive Board. A third delegation said it sympathized with the need of UNFPA to put its funding on a more stable footing, but noted that programme performance and effectiveness were critical factors in achieving that goal. Several delegations echoed that point, stressing that funding should be linked to effective programme delivery and programme impact as well as to effective monitoring and impact evaluation. One of those delegations stressed that the funding system for UNFPA should be a three-way partnership among UNFPA, programme countries and donor countries that was built on realistic expectations, was output based and transparent, with the ultimate objective of meeting ICPD objectives at the country and global levels. One delegation noted that UNFPA was currently underfunded, given its ability to implement a much larger programme and the need to meet the resource targets of the ICPD Programme of Action. Two delegations noted that consideration of the UNFPA funding strategy should be part of the larger, ongoing discussions of that issue, notably in the context of the Open-ended Ad Hoc Working Group on a UNDP Funding Strategy. They therefore said that they could not agree to a funding approach for UNFPA that would not apply to other funds and programmes as well.

87. Numerous delegations noted the importance of political commitment and adherence to the commitments made in Cairo in mobilizing resources for achieving the goals of the ICPD as well as for the UNFPA programme. One delegation, for example, stressed the need for both donors and programme countries to confirm the commitment made at Cairo, which must remain a stimulus for resource mobilization. Another said that resource mobilization went to the heart of the matter: UNFPA had a clear mandate, and the countries of the world had committed themselves to the ICPD Programme of Action. What was needed was political will, predictability of resources and an increase in resources. A third delegation stressed its commitment to multilateralism and called on others to rededicate themselves, at the highest levels, to multilateral development. Two others

emphasized that increasing the volume of resources was not a technical issue, as were the two other issues, but was dependent on the political will of contributors and whether they were committed to fulfilling the goals of the ICPD Programme of Action.

88. Numerous delegations noted the accomplishments of UNFPA despite declining resources and a small staff. They stressed that countries must take up the challenge of increasing the Fund's resources and ensuring their predictability.

Predictability of resources

89. The discussion on the predictability of resources centred on two issues: the feasibility of multi-year pledges; and the possibility of establishing mechanisms to formalize resource commitments, including formal agreements or memoranda of understanding.

90. Numerous delegations expressed support for multi-year pledges. One said that the Executive Board should consider moving to a system of voluntary, multi-year pledges that would allow UNFPA to plan and programme from a reliable funding base. Several others said that they would support such pledges if that were agreeable to most other delegations. Several agreed in principle with multi-year pledges but noted certain technical difficulties that had to be overcome before their countries could adopt such pledges, including the need to change legislation or budgeting procedures. Two delegations cautioned, however, that such pledges should not provide some countries with a pretext for reducing their contributions or for opting out of their part in burden-sharing. Many of those same delegations supported some variation of a three-year rolling contribution. A typical scenario envisaged a firm funding pledge for the first or current year; an indicative contribution for the second year; and a tentative contribution for the third year.

91. Several delegations expressed concerns about multi-year pledges. One, for example, noted that such pledges depended on many factors and thus could not be expected to be addressed in the decision that the Executive Board would adopt in September. Another said that multi-year pledges might be difficult for many countries, particularly those with economies in transition because of the economic reforms under way in those countries. A third pointed out that it could announce its contribution once agreement was reached between the legislative and executive branches of its Government. Another envisioned multi-year pledges and paying in advance but said that such an approach required flexible and pragmatic mechanisms that took into account countries' administrative and budgetary procedures.

92. Several delegations said that multi-year pledges were not possible. That was in part owing to the fact that such pledges were incompatible with their budget systems and cycles, among other things. One of those delegations shared the view that multi-year pledges would lead to more predictability of UNFPA income; it thus encouraged donors who were in a position to do so to follow the recommendation for multi-year pledges although for its part it was unable to do so because of budgetary reasons.

93. Several delegations endorsed the use of formal mechanisms to ensure predictability of contributions. One, for example, noted that there should be a memorandum of understanding between the prospective contributor and UNFPA concerning the amount of contribution and schedule of payments. That would in essence be a formal expression of a moral commitment. Several other delegations endorsed that view. One delegation, on the other hand, recommended a more cautious approach to the use of such memoranda of understanding. Another welcomed the proposal but noted that it required a comprehensive discussion at the informal inter-sessional meeting to be convened before the third regular session 1998.

Volume of resources

94. The discussion on the volume of resources centred on several key issues: the link between funding levels and programme impact and effectiveness; the commitment made at Cairo and the momentum generated by the ICPD+5 process; the need to explore ways to offset or minimize the effects of fluctuations in exchange rates; and efforts to expand the resource base of the Fund to include NGOs, foundations and the private sector.

95. Programme performance and effectiveness appeared to be the most critical factor for most delegations in increasing resources to UNFPA. Indeed, nearly all delegations cited that in one form or another. One delegation said that it wanted to maintain its ability to invest in those groups and organizations that were able to demonstrate the difference their work made and to link any increase in contributions to performance and effectiveness. Another said the Executive Board might want to consider linking yearly budget approvals to outputs achieved. The same delegation and another delegation stressed the importance of the impact and output of programmes, and the role of monitoring and evaluation in measuring that impact and output. Several delegations cited the effectiveness of UNFPA assistance in their respective countries as evidence that the Fund deserved continued and increased support.

96. Several delegations focused on the relative merits of general as compared to multi-bilateral resources. One stressed that the funding system should restate the critical role of core resources but also give UNFPA the ability to take advantage of potential co-financing opportunities and private-sector funding. Another noted that it was important to look at multi-bilateral contributions since it seemed clear from the implementation rates of such resources that there was some difficulty with absorbing multi-bilateral resources. Increasing general contributions, therefore, was clearly the most effective and productive way of enhancing the resource base of UNFPA. Moreover, multi-bilateral resources tended to place an additional burden on both the donor governments and UNFPA. That last point was echoed by another delegation, which cautioned that extensive use of multi-bilateral funding posed risks to good programme management by increasing the administrative burden on executing agencies. The delegation therefore recommended that UNFPA and prospective multi-bilateral donors should consider the possibility of joint multi-bilateral programming and collective multi-bilateral assistance to thematic areas such as adolescent reproductive health. That would greatly reduce the administrative burden and reporting requirements on multi-bilateral projects.

97. The commitments made at Cairo and the momentum generated by the ICPD+5 process were also identified by many delegations as key factors in increasing UNFPA resources. One stressed that the ICPD+5 should provide the impetus for countries to make a formal commitment to a new funding strategy. Another noted, in that regard, that many developing countries had met the commitments made at Cairo whereas not all donors had done so. A third delegation suggested making use of innovative mechanisms and approaches to take advantage of the momentum generated by the ICPD+5. Another expressed concern that the lack of resources could jeopardize the achievement of ICPD goals.

98. Several delegations noted that UNFPA needed a hedge against currency fluctuations. One suggested that the Euro might be beneficial in that regard, as contributions in Euros would not necessarily have to be converted into dollars and thus be exposed to the fluctuations of the exchange market. Another noted that a more rigid payment schedule of contributions would allow the funds and programmes more flexibility in putting in place hedging arrangements to help to offset fluctuations in exchange rates. A third announced that its Government would use a fixed exchange rate favourable to UNFPA in order to minimize the negative influence on its contribution for 1998.

Timely payment

99. All delegations agreed on the need for timely payment of contributions. One suggested that the Executive Board adopt some kind of binding format to ensure that payments were made in the first half of the year. Another delegation noted that the memoranda of understanding it proposed should also include a schedule of payments. A third delegation suggested that each contributor could announce its contribution for the coming year and set a payment schedule, which could be different for each country depending on its needs. The important point was to let UNFPA know in advance the amount of the contribution and when to expect the payment.

Administration's response

100. The Executive Director said that the discussion seemed to be moving in a logical way. Delegations generally agreed on the need for the timely payment of contributions and for some sort of mechanism to formalize the payment schedule. She stressed that the early payment of contributions was crucial to effective programme delivery. She was struck by the many delegations that supported multi-year pledges, even those that noted that such pledges might require changes in legislation and budgeting procedures to do so. She welcomed the proposal regarding memoranda of understanding and said that UNFPA would appreciate some kind of formal agreement that would ensure predictability of income and the timely payment of contributions.

101. The Executive Director said that she was working with countries to try to expand the Fund's resource base. She asked delegations to help to identify industrialists, prominent businesses, foundations and NGOs in their own countries that could contribute to UNFPA. She also appealed to delegations, donor and programme countries alike, to be advocates for UNFPA. She stressed that that was especially important for the private sector, which would be convinced to support UNFPA only if a prominent person were to assume a

leadership role in moving the process forward. She also challenged delegations to explore other avenues of resource mobilization and advocacy, such as public service announcements on national airlines and on local and national television and radio. She agreed that the measurement of outputs was important but pointed out that since UNFPA programmes had multi-year cycles it would not be possible to predict what the resources would achieve each year. She welcomed information from donor countries on methodologies on output-related budgeting and ways to show output in measurable terms.

102. The Executive Board took note of the conference room paper containing an update of the UNFPA financial situation (DP/FPA/1998/CRP.3), and the comments made thereon.

UNDP segment

VIII. ANNUAL REPORT OF THE ADMINISTRATOR FOR 1997 AND RELATED MATTERS

103. The Administrator focused the discussion of the 1997 Annual Report on four important cross-cutting issues for UNDP - profile, partnerships, measurement of results and organizational capacity. A brief information paper offering highlights and an update, distributed to delegations the previous week, provided the basis for the discussion that followed.

104. The Administrator emphasized the commitment of UNDP to sharpening its profile while responding to the specific needs of a diverse range of countries. Much progress had already been made as a result of Executive Board decisions 94/14, 95/23 and, more recently, 98/1. Guiding principles were being systematically applied to focus the work of UNDP as determined by national priorities. Experience to date working in the organization's four areas of concentration - poverty eradication, employment and sustainable livelihoods, the advancement of women, and environmental regeneration - had shown that efforts in the area of promoting good governance was critical in achieving results.

105. The Administrator explained that the work of UNDP in the area of governance had evolved as a result of growing demand from programme countries. The critical linkage between governance and poverty eradication had been increasingly acknowledged, as highlighted most recently at the twentieth special session of the General Assembly, which was devoted to the world drug problem.

106. Requests for UNDP assistance for governance activities in support of poverty eradication had included: (a) support to approximately 70 elections; (b) help in institution-building, including strengthening the capacities of legislatures; (c) assistance in decentralization efforts, including enhancing the planning and management capacities of locally elected bodies; (d) training for demining activities and efforts to move countries from rehabilitation and reconstruction into long-term sustainable development; and (e) other support to countries in special development circumstances, including in mobilizing financing from the international community.

107. In the area of partnerships, the Administrator underscored that UNDP, like other development organizations, regardless of size, mandate and resources, could not work alone for several reasons - not the least of which being the challenges and targets set by global conferences and the nature of the organization's advocacy and capacity-building work in the multidimensional area of poverty eradication. Referring to specific examples of partnerships outlined in the paper on highlights and updates, the Administrator said that UNDP worked in partnership with a wide spectrum of actors - programme countries, bilateral donors, partner funds and programmes, the specialized agencies of the United Nations, including the Bretton Woods institutions, non-governmental organizations (NGOs), and the private sector. UNDP cooperation with other parts of the United Nations system, including such far-reaching reforms as the United Nations Development Assistance Framework (UNDAF), would be discussed under agenda item 9.

108. Addressing the question of measurement of results, the Administrator acknowledged that obtaining such measurements in UNDP areas of work was complex and that it was particularly difficult to measure the contribution that one organization, such as UNDP, had made within the overall results of a country's development efforts. Nevertheless, he said, the organization was committed to improving the measurements of results and had made some progress in that regard.

109. In terms of organizational capacity, the Administrator outlined some of the progress that had been made in implementing the UNDP 2001 process. He mentioned efforts to strengthen country offices, to increase decentralization and to ensure accountability. He reported, however, that the reform of the organization had not been matched by a growth in funding. He detailed some ways in which the work of UNDP was being hampered by lack of resources and welcomed the efforts of the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy to assure core resources.

110. Following the Administrator's statement, the President of the Executive Board asked delegations to make short comments on the statement, saying that they would return later to longer statements on the annual report of the Administrator. Several delegations thanked the Administrator for his clear and concise statement and for the useful paper on highlights and an update on the annual report that had been made available to guide the discussion. They also stated that they appreciated the opportunity to have a more interactive dialogue with the Administrator.

111. The Minister of Finance and Development Planning of Botswana made an opening statement in which he spoke of Botswana's progress in its 31 years of independence, helped by UNDP and other assistance. UNDP was considered so highly by his Government that when the organization was unable to fully fund the 1992-1996 country programme, the Government stepped in with a cost-sharing arrangement, feeling that it could benefit from UNDP experience and capacity-building expertise. He recommended such cost-sharing arrangements to programme countries with the means to do so but then made an urgent appeal for donor countries to step up the level of official development assistance (ODA). Cost-sharing and other arrangements could not substitute for the core resources that UNDP needed.

112. The Director General of the Office of Development and Cooperation of the Federal Department of Foreign Affairs of Switzerland welcomed the delegates to Switzerland, saying that he was pleased that the UNDP/UNFPA Executive Board met periodically in Geneva, where so many United Nations partners were located.

113. In discussing the annual report of the Administrator, many delegations congratulated the Administrator on the documentation, while others encouraged UNDP to include more analysis and information on outcomes. One delegation said that it would like to see thematic annual reports in the future, a view that was seconded by another delegation. One delegation expressed its view that the regional reports contained in the annual report should put the activities of UNDP into the context of activities being undertaken by other development partners. The same delegation said that the regional reports did not seem to refer to the resident coordinator function or to the UNDAF, which would seem to imply that those were not part of the totality of the UNDP programme. Another delegation found that the report on global and interregional activities would have benefited from a greater strategic focus.

Focus

114. Many delegations welcomed the Administrator's remarks on the priority being given to poverty eradication and to the mainstreaming of gender and environmental concerns. Another delegation was pleased that the Administrator had stressed poverty eradication and capacity-building - those were indeed the crucial components of development. One delegation said that the elimination of poverty must be the foremost priority and that it also supported efforts to promote good governance that were consistent with the guiding principles adopted by the Board at its first regular session 1998 (see decision 98/1). In that regard, all of the country cooperation frameworks should show that those principles had been systematically applied.

115. One delegation said that UNDP was right to concentrate its efforts in the area of human rights on eradicating poverty, thereby supporting the right to development. Building national capacity was also very important, but delegations realized that that took time and required partnerships with local actors. Delegations also mentioned that protection of the environment was an important priority and asked that UNDP continue to mainstream global environment concerns into its work. One delegation stated that it felt that UNDP should do more to aid women.

116. Several delegations agreed that much good work had been accomplished in sharpening the focus of UNDP, but some delegations said that more could be done. Other delegations, however, said that they felt that a strong focus for UNDP had been established and that perhaps it no longer required further elaboration at that time. It was time to put the principles agreed on by the Executive Board into action. One delegation said that the proof of the sharpened focus would be in programmes at the field level, and, agreeing with that view, several delegations asked how the focus was being translated into country-specific activities.

117. Some delegations pointed out that it was necessary for UNDP to respond to individual conditions in countries and that therefore it was sometimes difficult

to limit activities to a shortlist of priorities. In that regard, one delegation disagreed with the mention of 20 core development services: UNDP was and must remain country-driven. Therefore, the delegation could not agree to any formulation that interpreted the list of core development services in a restrictive manner. Other countries also stressed that all UNDP-supported programmes must be country-driven.

118. Other delegations felt that the Administrator's mention of 20 core development services was already too broad. One delegation, speaking for another as well, said that the implication that the Executive Board had endorsed such a list of core services in its decision 98/1 was, in their view, a misinterpretation of that decision. Other delegations stated that in their view UNDP must be careful or it would lose the focus it had worked to achieve.

119. Several delegations then stressed the need for balance, saying that although UNDP had to focus on certain areas of intervention it also had to balance competing interests. One delegation said that it was very true that UNDP programmes had to be country-driven, but that if something fell outside of its mandate it could also serve a useful role by helping to find another organization to address the issue. Another delegation summed up these views by saying that the challenge for the organization was to remain focused while responding to varied needs.

120. In addressing UNDP priorities, several delegations said that those priorities implied a strong focus on the least developed countries (LDCs), especially those in Africa. One delegation informed the Executive Board that Africa would be the only continent entering the twenty-first century with more people living in poverty than in the previous century. Another delegation said that the 20/20 Initiative was of great importance to its Government. The Administrator had said he was downplaying the UNDP role in the Initiative, implying that there might be fewer resources devoted to activities that concentrated on supplying basic social services. In the view of the delegation, however, that did not mean that UNDP could not continue to be an effective advocate for the 20/20 Initiative.

121. Increasing efforts being devoted to governance questions received the endorsement of several delegations. Programme countries reported that UNDP was helping them to implement decentralization measures as well as to carry out administrative and civil service reforms. One delegation said that good governance must be honest, transparent, responsive and efficient, decentralized and fully participatory and, most importantly, fully accountable; it trusted that UNDP was promoting such ideals in its programmes. One delegation called attention to the recent conference on governance that had taken place in Accra, Ghana, with the participation of 25 African countries, and wondered how the results of that conference would be communicated elsewhere. Another delegation noted that demand for assistance in the area of governance was increasing and congratulated UNDP for developing innovative responses to those requests.

122. Several delegations said that it was necessary for UNDP to be more visible, with a clear and strong profile. Among other things, that would be important in forging partnerships with other agencies. Financial sustainability depended increasingly on making results known to political decision makers and their

constituencies, and the organization as a whole needed to be more results-oriented. Doing a better job of making its positive results better known would help gain parliamentary and public support. In that regard, one delegation said that the statement of the Minister from Botswana was a good example of how programme countries could help in publicizing results that had been achieved in their own countries. Several delegations stressed the vital role that communication played in making Governments and people aware of what UNDP was doing. That included telling those audiences who the beneficiaries of the actions of UNDP were and how they had benefited from the organization's interventions. Another delegation pointed out that building confidence in UNDP and its work should not be limited to donor countries but had to involve programme countries as well, if a true partnership with those countries was to be developed.

Partnerships

123. One delegation said that there should be more strategic thinking about the nature of partnerships, e.g., what safeguards would be put in place to ensure the roles of complementary agencies. The delegation feared that otherwise a system of conditionalities might develop. Another delegation said that in seeking partnerships with other organizations, such as the Bretton Woods institutions, UNDP needed to preserve the specificity of its own contributions. Another delegation said that in any partnership, UNDP needed to play the preeminent role.

124. A request was made for more information on cooperative efforts that were being carried out with the European Union. Also, more information was requested on the possibility of partnerships with the private sector, including in terms of resource mobilization. In discussing partnerships, one delegation said that more effective partnerships could be pursued with bilateral aid agencies and reported on several undertakings in which his own country's development assistance agency had cooperated fruitfully with UNDP. One delegation requested more information on how other organizations, including the Bretton Woods institutions, were collaborating through the country-level theme groups. One delegation pointed out that in spite of the increased attention that was being given to cooperation with the Bretton Woods institutions, none of those institutions had sent a representative to the current session of the Executive Board.

125. One delegation mentioned the growing relationship between trade and development and reminded the Executive Board that the 48 least developed countries had a total population of more than 500 million people but were responsible for less than 1 per cent of world trade; the delegation called for expanding partnerships with trade-related organizations. One delegation said that the High-Level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development had to take into account the broader context of development. Another asked what concrete measures UNDP had taken to carry out the decisions of the High-Level Meeting.

126. With respect to paragraph 17 of document DP/1998/17, one delegation stated that the targets elaborated in the "Strategy for the 21st Century" by the Development Assistance Committee (DAC) of the Organisation for Economic

Cooperation and Development had to be approved in an intergovernmental forum before their implementation was defined as part of the responsibilities of the resident coordinators. Another delegation said that DAC should help to elaborate overall, coordinated efforts among its members, including bilateral donors as well.

127. One delegation asked why it seemed to be taking a long time to harmonize programme cycles among the various United Nations funds and programmes.

Measurement of results

128. One delegation said that while UNDP could make good use of programme indicators as a way to inform constituencies of what had been accomplished, their major use should be in the designing of programmes. In that regard, bilateral aid organizations should be prepared to learn and share with UNDP in the development and use of such indicators. A number of delegations agreed with the Administrator that it was difficult to develop reliable indicators, but endorsed the organization's efforts to improve the measurement of results. One delegation said that it expected UNDP to present performance indicators to the Executive Board on the objectives specified in its decision 98/1 on narrowing the focus of UNDP interventions. Delegations said that although it was difficult to obtain such information, numbers were needed to judge the effectiveness of the organization's work.

Organizational capacity

129. In addressing the question of the ongoing reform process, one delegation said that while it was crucial to carry out reforms within UNDP, reforms were also necessary at the United Nations system level if human development efforts were to be successful. Another delegation stated that the organization was currently in a state of transition while broader United Nations reforms were being pursued and said that UNDP should play a prominent role in that process as well as undertake its own internal reforms.

130. One delegation said that it considered the UNDAF to be the centrepiece of United Nations reform efforts because it provided a common agenda for different entities and allowed them to have integrated approaches to development initiatives. One delegation said that the UNDAF had to be based on the national strategy, plans and priorities of the programme country involved. It expected a comprehensive evaluation report on the results of the first UNDAFs in the near future. Another delegation said that the UNDAF had to replace existing mechanisms and not just be an addition to the structure that was already there.

131. One delegation mentioned that the Administrator's comments on Guatemala, which was one of the first countries to have an UNDAF, reflected well on the UNDP country team as well as on the commitment of the Government. The objectives of the UNDAF in that country were consistent with those advocated by the United Nations and reflected the results of the global conferences. One delegation said that it was anxious to see the results of the first UNDAFs in Mali and Viet Nam.

132. In discussing internal reform, one delegation said that UNDP needed to strengthen management at all levels. Given the increasing decentralization of the programme, there was a continuing need to strengthen accountability and evaluation functions, put more emphasis on lessons learned and invest more in national execution. In that regard, one delegation said that it agreed with the Administrator that the country office network was the greatest asset of UNDP and that strengthening the country offices in priority programme countries was important. However, the delegation urged that UNDP consider whether maintaining the broadest possible network of UNDP country offices was the best way to achieve impact in an environment of declining resources. One delegation requested more information on the process of decentralization of personnel, saying that such decentralization could make for a leaner, more flexible and more prompt organization. Another delegation asked for greater redeployment of headquarters staff to country offices. It also asked whether the administrative structure of UNDP, particularly those units dealing with audit and legal affairs - was strong enough to accommodate increased decentralization.

133. Several delegations said that the UNDP 2001 change process would strengthen UNDP; some said that it could lead to reduced costs. One delegation wanted to know what was being done to foster a sense of ownership of the change management process among the staff. One delegation congratulated the organization on its efforts to employ more women in professional positions, while another said that the goal should not be to achieve a certain arbitrary numerical ratio if that meant sacrificing efficiency in the attempt.

134. Several programme countries complimented the organization on the quality of the resident coordinators who had served in their countries and said that their role was vital in ensuring the success of programmes. Many delegations said they favoured keeping the functions of the resident representative and the resident coordinator together and also believed that UNDP should retain its role as the manager and funder of the resident coordinator system. Several delegations said that they felt that resident coordinators had given valuable impetus to United Nations reform efforts at the field level.

135. One delegation said that it supported efforts to strengthen the resident coordinator function and felt that one necessary ingredient was to foster a greater sense of ownership of that function among the other United Nations agencies. Several delegations spoke of their support for General Assembly resolution 50/120, which emphasized the need to support the resident coordinator function. One delegation said that it supported efforts to strengthen the role of the resident coordinator but emphasized that that had to be done within the context of General Assembly resolution 50/120.

136. One delegation said that a cost-sharing arrangement for funding the resident coordinator function should be worked out with other United Nations agencies; given the current financial constraints, UNDP should not have to shoulder all the financial burden itself.

137. A number of delegations asked what efforts had been made to widen the pool of resident coordinators and what were the criteria for choosing resident coordinators from outside UNDP. One delegation said that the selection process should be designed to find the best-qualified individual, whether inside or

outside of UNDP. Another delegation said that the main criteria for selection should be the person's ability to coordinate, not the possession of any particular technical know-how.

Resource mobilization

138. One delegation said that countries needed to remember that UNDP programmes were not abstract exercises but were practical activities that affected the lives of millions of people throughout the world. Another delegation said that the greatest challenge for UNDP was to mobilize more resources. Several delegations said they supported any measures the Administrator could take to halt the decline in resources and to encourage an increase.

139. In addressing funding, one delegation said that the secretariat should concentrate on countries that were underperforming, but that other sources needed to be looked at as well - multi-bilateral funds, trust funds, partnerships with other international agencies (especially Bretton Woods institutions), foundations and the private sector. The secretariat should be commended for its efforts so far, but more needed to be done. One delegation said that it was true that the best way to attract more resources was to have good programmes and good management but that the organization should be realistic about how much funding would be forthcoming in the current political and economic environment. It also said, along with many other delegations, that UNDP needed to be better at communicating its achievements as a way of attracting more resources.

140. One delegation, seconded by another, pointed out that in its decision 95/23 the Executive Board had set a target of $1.1 billion per year for UNDP programmes to help meet the needs of developing countries; as far as the two delegations were concerned that amount was not negotiable. The delegation asked why the donor countries were reducing the level of ODA while development needs were increasing. It commended the efforts of the Government of Norway, which contributed 1 per cent of its gross national product per year to ODA, and asked that other countries do as well.

141. Many delegations regretted the decline in contributions to UNDP. Several programme countries spoke of the assistance they had received from UNDP in reducing poverty, aiding democratization, working to improve the status of women, etc., and asked that the resources needed to carry out that work continue to be forthcoming. Those delegations spoke of their nations' needs for development assistance and regretted the lack of UNDP resources to do more. Several delegations mentioned their concern that the efforts UNDP had made to reform itself had not been matched by increased contributions to the organization. One delegation pointed out that it was not just a question of the volume of resources, but also of the predictability of those resources and hoped that the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy would look at solutions to that question in its deliberations. Another delegation asked donor countries, if they could not increase the volume of their financial contributions, to consider providing additional in-kind donations.

142. One delegation said that the level of UNDP resources had never met the level of its expectations and said that increasing the resources of UNDP depended on the political will of the donor countries.

Regional questions

143. A number of delegations from eastern Europe and the Commonwealth of Independent States spoke about the assistance they had received from UNDP during their transitional periods to market economies. Many of those countries spoke about the vital role UNDP had played, especially in the area of governance and institution-building. One delegation stressed that UNDP had relied on national execution modalities, which no other donor in the country was currently doing. The same delegation also complimented UNDP on its clear monitoring and evaluation system. Another delegation thanked UNDP for its work in helping to integrate national minorities and its support for human rights efforts; such efforts were also mentioned by other delegations from the region as well.

144. Several countries presented examples of initiatives that UNDP had undertaken in the region, with many of them emphasizing the importance of governance projects. In countries in which civil strife had taken place, delegations noted with appreciation the role that UNDP had played in reconstruction. Delegations cited examples of UNDP assistance in strengthening civil society organizations, which were often quite weak, and of developing resource centres that were of great value to many parts of society, including Governments. One delegation cited UNDP work in strengthening government institutions within the new democratic frameworks and in helping to elaborate national development strategies.

145. Many of the countries also expressed the desire that it would be possible for UNDP to continue assistance in spite of the environment of declining resources, some of them noting that efforts in their countries had already been scaled back. They said that the gains made could be jeopardized if assistance ended too soon. They all asked that UNDP support not be cut off too early in the transition process because of lack of resources. Some spoke of their hopes of becoming donors to UNDP in the future, reporting that the organization was helping them to develop a strategy to do so.

146. One delegation asked what was meant in paragraph 19 of document DP/1998/17/Add.5 by "refocus[ing]" the United Nations System-wide Special Initiative on Africa. Since the Special Initiative had just started, it seemed too early to refocus it. Did it imply that there was a lack of resources? Another delegation said that it was discouraged by the results achieved thus far and asked what real benefits had been forthcoming. Another delegation said that the objectives of the Special Initiative were of great importance to its country, but the results, if any, were not well known. To date, there seemed to be little if any added value from the Special Initiative, and it suffered from a perceived lack of resources. One delegation asked about the involvement of the World Bank in the Special Initiative.

147. One delegation said that efforts in Africa were indeed important but asked that the Asia and the Pacific region not be forgotten. One delegation said that in the section of the annual report of the Administrator dealing with Asia and

the Pacific (DP/1998/17/Add.1 (Part III) and Corr.1), it would have appreciated more information on the UNDP response to the financial crisis in Asia as well as on the North-east Asian Subregional Programme. Another delegation said that UNDP could play a valuable coordinating role in the Asian financial crisis and asked that UNDP assume a greater presence in helping to address the crisis.

Countries in special situations

148. One programme country in Africa drew the attention of the Executive Board to the rapid increase of refugees in its country, caused by conflict situations in neighbouring States, and asked what UNDP could do to help. Another programme country in Europe discussed the plight of refugees in its country and asked what UNDP could do to help in such special circumstances. Another programme country in Africa pointed out that developing countries were often hit by natural disasters that they did not have the financial resources to address - in its case the country was faced with an invasion of crickets. Another delegation pointed out the difficulties faced by small island developing countries, which were often subject to volatile economic situations caused by commodity price fluctuations and natural disasters. It asked that those needs not be forgotten.

Specific questions

149. Many delegations said that they appreciated UNDP efforts in demining and requested more information on the organization's role in mine action and mine-clearing.

150. One delegation asked several specific questions: why did the target for delivery for United Nations Capital Development Fund fall by 9 per cent? What lessons had been learned so far by the United Nations Development Fund for Women (UNIFEM)? Another delegation asked about the financial outlook for UNIFEM.

151. Several delegations said that they supported UNDP efforts in the area of technical cooperation among developing countries (TCDC) but said that great potential remained untapped. One delegation said that it was looking for greater strategic vision from the UNDP Special Unit for Technical Cooperation Among Developing Countries.

152. One delegation asked what the comparative advantage of UNDP was in the area of AIDS. One country pointed out that while it supported UNDP assistance in helping countries to reduce the emission of greenhouse gases, such activities could not be placed in the context of follow-up to the Kyoto Protocol, which did impose any legally binding commitments on developing countries.

153. Several delegations spoke in favour of the programme of assistance to the Palestinian people, as outlined in document DP/1998/17/Add.4, saying that it responded to the needs of the Palestinian people.

154. Several delegations took exception to the statement in paragraph 3 of document DP/1998/17/Add.1 (Part V) that corruption continued to be prevalent in Latin America and the Caribbean, saying that that was an over-generalization and did not take into account the efforts the countries of the region were making to combat the problem.

155. Two delegations asked why the staffing of the subregional resource facilities was proceeding so slowly and wondered whether the concept needed to be revisited.

Responses of the Administration

156. The Administrator thanked the Minister from Botswana for his statement and expressed his support for the views expressed. The Administrator said that he was especially grateful for various statements made by different programme countries during the discussion, which often conveyed a vivid picture of what UNDP and the resident coordinators were doing.

157. In discussing the annual report, the Administrator said that there would be a better database for use in preparing the report in the future. When reading the introduction to the annual report he hoped delegations were made aware of how far the organization had come in doing things on an organizational basis and how much work had been accomplished in terms of building cohesion and a cross-bureau philosophy. He felt that the annual report showed that UNDP was stronger than ever before.

158. The Director of the Bureau for Development Policy said that UNDP would work to make the section of the annual report that contained information on the global programme (DP/1998/17/Add.2) less fragmented and more analytical. The global programme was going through a transitional phase at present, trying to achieve greater coherence and focus.

159. On the question of focus, the Administrator said that the organization had become very focused in developing 20 specific development services. It was, in his view, a very focused agenda. The Administrator noted that a number of delegations stressed the organization's "profile" and the need to raise that profile in a number of countries where it was not so visible at present, including the need to reduce the UNDP message or messages to simple terms that were clearly understandable. In that regard, he called attention to the new posters that were displayed in the conference room. Also, he said that in terms of projecting a consistent image, the organization had to practice what it preached. The organization's focus, not just its message, had to be clear and crisp. Therefore, he had, for example, tried to steer UNDP away from helping to implement the basic social services for all objectives. These were all very important, but other agencies and organizations were working in those areas: UNDP needed to focus on its primary goal of poverty eradication. The Administrator agreed with the delegation that had said that human rights had to be seen across the whole spectrum of freedoms, and that included the freedom from poverty as a fundamental human freedom. He foresaw UNDP maintaining a major role in the 20/20 Initiative, recognizing, as one delegation had said, that an advocacy, coordinating and facilitating role could be very helpful, even when UNDP did not have a major funding role.

160. The challenge before UNDP, the Administrator said, was to communicate its focus effectively, including to policy makers. He also agreed with comments that focus had to be translated more effectively at the country level. As for communication strategy, the Administrator said that the progress the organization was making in that area would be apparent when the UNDP information

and communication strategy was discussed under agenda item 14; it was an issue of great importance to the organization.

161. In discussing governance, the Administrator said that initiatives in that area would become an ever greater part of UNDP programmes because so many countries were asking for assistance in that area. UNDP was so decentralized and so demand-driven that the growth in the number of requests was inevitably leading to more UNDP actions in that area. UNDP was increasingly viewed as a trusted partner for governance activities.

162. The Assistant Administrator and Director of the Bureau for Development Policy said she was encouraged by the positive comments made about UNDP activities in the area of governance. A new initiative that was being launched was a global programme that covered three themes: (a) governing institutions, including best practices for elections, legislatures and judiciaries; (b) decentralization and local governance; and (c) public sector management and transparency. UNDP continued to take a demand-driven approach: all of those initiatives came at the request of Governments.

163. In response to one delegation's question on the issue of the indebtedness of developing countries, the Associate Administrator explained that the role of UNDP was to serve as an advocate for greater debt reduction and for a greater focus on social and environmental concerns and to help to build national capacity for debt management. The Associate Administrator said that the organization was conscious of the need to do more for women, as one delegation had called for. He reported that 25 per cent of resources went to gender-related programmes. He stated that poverty was a particular problem for women, especially in the least developed countries and in countries in special circumstances. He mentioned the acute situation in Afghanistan, where women could not go out to get the work they needed to support their families.

164. The Administrator thanked those delegations that had said that UNDP needed to take more of a leadership role among the United Nations development agencies; he agreed that the organization had to work for the system as a whole. With regard to resident coordinators, he said that only a small portion of UNDP programme resources actually went towards the coordination function. He said that he thought it would be a very bad idea to separate funding from the management of the resident coordinator system: funding should continue to be provided by UNDP. In any case, it did not represent a large proportion of resources. In terms of time, a survey had shown that, on average, 30 per cent of a resident representative's time was spent on resident coordinator functions. The criteria for selecting resident coordinators outside of UNDP were the same as those for selecting them from inside the organization.

165. The Administrator said that harmonizing programme cycles was a good thing; perhaps the way to achieve it was for the governing bodies of each of the funds and programmes to legislate it. In any case, he hoped that the UNDAF would lead to harmonized programme cycles through its efforts at overall harmonization. He also said that it was true that targets adopted by DAC were not the equivalent of legislation, but UNDP needed to be aware of those targets to help mobilize efforts at the country level.

166. The Assistant Administrator and Director of the Bureau for Planning and Resource Management said that UNDP had important, long-standing relationships with the Bretton Woods institutions, especially the World Bank. In the past, the World Bank had been an executing agency for some UNDP projects, but its role in that area was diminishing. In its role of helping to facilitate aid coordination, UNDP supported the Consultative Group process, led by the World Bank, while the Bank supported the round-table mechanism, led by UNDP. Given changes within the World Bank, including its greater focus on combating poverty, recognition of capacity-building as a priority, a stronger country office network and growth in the provision of grant technical assistance, it was perhaps time to redefine the relationship between UNDP and the World Bank. In fact, dialogue on the relationship was taking place at the top level of the two organizations, and senior management was looking at areas for future collaboration.

167. The Administrator said that as part of its work plan the United Nations Development Group was going to coordinate the UNDAFs in two pilot countries with the World Bank's country assistance strategies. He said that while the relationship with the World Bank was not totally free of difficulties, in general terms it was very positive. For example, the World Bank participated in almost all the theme groups organized by the United Nations system in programme countries.

168. In response to the question about cooperation between UNDP and the European Union, the Assistant Administrator and Director of the Regional Bureau for Africa reported that UNDP had taken the initiative in setting up a working relationship with the European Commission that would strive to enhance development efforts by building synergies between the two organizations. A joint steering committee had been established, which included the World Bank as well, and it would be meeting very shortly.

169. In response to questions concerning UNDP cooperation with the private sector, the Administrator said that the organization was in the process of producing a compilation of UNDP initiatives with the private sector and was trying to engage the international private sector in the organization's work. That included discussing the possibility of getting 20 to 30 major multinational corporations to set up a major investment fund under certain criteria still to be defined. There was a segment of private sector companies that was interested in development and would be willing to make funds available.

170. On the question of results, the Administrator said that, as stated in the paper giving highlights and an update on the annual report of the Administrator, "measuring the results of development activities is generally acknowledged to be complex but it is particularly complex in the areas in which UNDP works - advocacy, facilitation/aid coordination and capacity-building" (para. 24). For example, it was impossible to quantify the impact of national human development reports although there was a general consensus that they had made significant contributions in the 100 programme countries in which UNDP had helped produce them. Measuring the success of governance initiatives was notoriously difficult. That said, the Administrator reiterated that the organization was committed to developing performance indicators and that the evaluation of the

impact of UNDP programmes was crucial to the success of the organization. He had conveyed that to the Evaluation Office.

171. In response to questions about making the UNDAF more effective, the Administrator urged the Executive Board to continue to push all of the United Nations development agencies in that direction. It was indeed the centrepiece of United Nations reform, and it meant moving the different parts of the United Nations system from coordination via information-sharing to really working together. He agreed with delegations that had said it was necessary to examine which programming instruments could be fused with the UNDAF and not just add another layer to what was already being done. He reported that other donors were also starting to work together through the United Nations theme groups, in which the bilateral donor community could also participate. He acknowledged that UNDP was working in very diverse circumstances throughout the world, and he felt that that diversity was reflected in the country cooperation frameworks that were presented to the Executive Board for its approval.

172. The Director of the Bureau for Planning and Resource Management said that decentralization was a top priority and challenge for UNDP. The organization had made great strides in decentralizing its operations and further decentralization was under way, including budget decentralization. That had meant re-engineering much of the organization's structure, including the information systems, and greater use of such mechanisms as outsourcing. More of that would be reflected in the next biennial budget. Decentralization had required the organization to make investments in personnel management: new systems had to be set up and staff had to be trained. Performance indicators would be established by January 1999. The philosophy had been to put people where the work was, and during the 1990s that had meant a 25 per cent reduction in headquarters staff and a 10 per cent increase in field staff. A year previously, the 2001 package had been put in place, which meant putting a cap on non-core posts, re-engineering some positions and outsourcing. It was still being discussed whether the regional bureaux should be located in headquarters or in the regions. There was an ongoing discussion of funding strategies and of further reductions at headquarters. He thanked the delegation for pointing out that the 60:40 ratio of men to women in professional positions should not be achieved by sacrificing efficiency.

173. On the question of accountability in a decentralized environment, the Director of the Bureau for Planning and Resource Management said that by 2001 it was planned to have a strengthened system of accountability in place. The audit function was much improved and increased resources were being devoted to it. Outsourcing to international audit firms had saved some money. The Legal Section of the Office of Human Resources, however, was struggling with a significantly increased caseload - up from 20 cases a year in the recent past to 150 cases a year at present.

174. On comments made about resource mobilization, the Administrator said that it was true that some large economies did not contribute as much as other, smaller, countries. UNDP would continue to encourage those nations to contribute more. The Administrator agreed wholeheartedly with the comments of the delegation that said that predictability of resources was as important as volume.

175. Concerning the Special Initiative on Africa, the Administrator said that ODA for Africa was declining even faster than ODA as a whole. But there had been some notable accomplishments, especially in terms of partnership with the World Bank. The Special Initiative did not mean the implementation of everything that needed to be done but doing certain specific things better than in the past. The idea was to address certain overriding issues such as governance, gender and population and to validate the successes that had been achieved in some countries.

176. The Coordinator of the United Nations Special Initiative on Africa addressed issues raised by several delegations about the Special Initiative, underscoring the fact that it was a 10-year initiative that was only in its second year. He said that the technical working groups had started their work and that they would be devising indicators to measure progress. He felt that the programmes that were being developed were good; however, the financial commitments were not entirely satisfactory: the Special Initiative required additional resources. The big question was how to mobilize the necessary resources.

177. The Coordinator also discussed the African Governance Forum series. Two such forums had taken place, the latest in Accra, Ghana, on accountability and transparency, and a third forum focusing on conflict management and governance was planned. The United Nations Department of Economic and Social Affairs was developing an inventory on governance that included who was doing what and where resources were needed. In response to the comment on the number of forums in relation to the results, he said that he felt the African Governance Forum series would in fact make a major contribution. In his view, the most important contributions would result from each participating country's preparations for and follow-up on the forums.

178. The Assistant Administrator and Director of the Regional Bureau for Africa said that dwindling resources for Africa were having an impact on what UNDP could do in the continent, forcing contractions in terms of the depth and scope of activities. Staff resources were extremely stretched. The Bureau needed a strong policy unit and a unit to help countries in special circumstances. In response to the situation in Guinea, she said that UNDP was setting up a special event on preventative development for Guinea to help the country deal with refugee problems before they led to a crisis. In answering questions about the role of UNDP in combating AIDS efforts, the Regional Director mentioned the situation of Uganda, where UNDP had helped the Government set up a special AIDS commission in 1992 and had helped the country devise a national strategy for preventing the spread of HIV/AIDS.

179. The Associate Administrator said that UNDP resources were inadequate to meet many of the needs of countries in special situations. But he said that UNDP assistance could often be used to leverage other funding. In the occupied Palestinian territory, for example, UNDP assistance of $4 million led to funding of $35 million from other donors. In such situations, UNDP often came up with proposals that could be of interest to other donors. The Associate Administrator said that in Guinea, which was suffering from an influx of refugees, UNDP had set up contingency plans for the north and the south of the country and had contacts with various interested parties, including the Office

of the United Nations High Commissioner for Refugees, and could furnish some limited funding.

180. The Associate Administrator answered questions concerning mine actions by saying that the focal point for mine actions within the United Nations system was the United Nations Department of Peacekeeping Operations, which had set up a number of working groups, which, in turn, had led to greater complementarity and a broad division of labour. The focus of UNDP was on capacity-building for sustainable mine action, so that necessary actions could be carried over after emergency situations had ended. UNDP had supplied part of the funding but most of it had come from donors. UNDP had carried out programmes in Cambodia and Mozambique, and later in 1998 it would be taking over programmes in Afghanistan and Bosnia and Herzegovina.

181. The Administrator said that UNDP was making a significant effort in the area of global climate change, especially in terms of capacity-building, but that the organization was fully aware that there was nothing in the Kyoto Protocol that set legally binding emission goals on the developing countries.

182. The Associate Administrator reported that funding for UNIFEM rose from $17.1 million in 1996 to $17.5 million in 1997.

183. On the question asked by delegations as to why there had been delays in recruitment for the subregional resource facilities, the Director of the Bureau for Development Policy said that it had taken longer to find individuals with the skills needed than had been envisaged. The facilities should be operational within a couple of months.

184. The Executive Board took note of the report of the Administrator for 1997, including the introduction to the report, the main programme record; the reports on global and interregional programmes and other major programmes, other funds and programmes, the Programme of Assistance to the Palestinian People, and the United Nations System-wide Special Initiative on Africa; and the reports of the Joint Inspection Unit and statistical annex (DP/1998/17/Add.1-7 and DP/1998/17/Add.1 (Part III)/Corr.1), with the comments made thereon. The Executive Board also took note of the report on follow-up to decision 97/15 on change management, including the interim report on the subregional resource facilities (DP/1998/CRP.8), and took note of the UNDP strategic plan 1998 (DP/1998/CRP.9).

IX. FOLLOW-UP TO UNITED NATIONS REFORM

185. The Administrator briefed delegations on recent developments in the ongoing reform of the United Nations system. He said that the reform was designed to make the United Nations more responsive to changes in the world and to strengthen the coherence, hence the impact, of United Nations organizations and departments, especially at the country level. He reported that the United Nations Development Assistance Framework (UNDAF) mechanism, which was the most revolutionary of the Secretary-General's reforms, was being pilot-tested in 18 countries. The UNDAF pilot tests would be evaluated in the coming months.

186. Concerning the resident coordinator system, the Administrator noted the view of many delegations expressed under agenda item 8 that the resident coordinator system should be funded and managed by UNDP on behalf of the United Nations system. He detailed a number of important changes in the system designed to make it more responsive and to instil a sense of ownership among all the participating agencies and organizations. On the establishment of common premises for United Nations agencies, he informed the Executive Board that he had proposed to the Secretary-General a list of 16 countries where United Nations Houses could be set up, and by 2002 it would be possible to analyse the potential in all programme countries for establishing common premises. He pointed out that moves to common premises would not always mean cost savings. He also noted several recent collaborative efforts with other development partners and then concluded his remarks by saying that the reform of the United Nations was a process, not an event.

187. One delegation asked how the experience of the first 18 countries with UNDAFs would be passed on to other countries. Another delegation asked when the Executive Board would receive the evaluation that was about to be carried out and wanted to know more about the timetable for implementing UNDAFs in countries outside those in which it was being pilot-tested. Another delegation pointed out that an UNDAF had to be approved by the programme country involved in order to be effective, while another said that it had to be tailored to each country's individual needs.

188. One delegation noted that resident coordinators would be chosen from a wider pool of candidates and then commented on the Administrator's statement that a faster method of choosing resident coordinators had been developed; it wondered whether such an important selection process should be rushed.

189. The Administrator replied that the evaluation of the UNDAFs that UNDP was carrying out was not the only one. He expected that from the evaluations that were being done there would be a review of the framework in several Executive Boards as well as at the country level. The UNDAF had been discussed in the Economic and Social Council for the last two years, and he expected that to continue. Those evaluations and discussions would be examining a wide range of programming tools at the country level. One of the things that was being looked at was the possibility of developing a collaborative advisory note that might eliminate the need for a separate UNDP advisory note to the Government. The evaluations would show how UNDAFs could help to enhance collaboration at the country level; of course, much collaboration already existed. Once the evaluations of the pilot UNDAFs were completed, there would still be many considerations before using the UNDAF globally. He agreed that the engagement of the programme countries in the UNDAF process had to be addressed. He said that one way of looking at it would be to think of the country strategy note as the 'demand side', i.e., the formulation of a country's needs according to its priorities, while the UNDAF represented the 'supply side', i.e., the response of the United Nations country team as to how it could address those needs.

190. In addressing comments made about the resident coordinator system, the Administrator said that any streamlining of the selection process would not weaken it. In simplifying the process, it was hoped to make it more transparent and more rigorous. He provided additional details about the pace of

establishing common premises, saying that the process had already identified more than 50 countries that seemed to be potential sites for common premises.

191. The Executive Board took note of the oral report on the UNDP role in the follow-up to United Nations reform.

Emergency Relief Coordinator

192. The Associate Administrator introduced document DP/1998/18 on the transfer of responsibility for operational activities for natural disaster mitigation, prevention and preparedness from the Office of the Coordinator for Humanitarian Affairs (OCHA) to UNDP. The Disaster Management Training Programme was transferred to UNDP effective 1 March 1998, and the functions of the Disaster Mitigation Branch were assumed by UNDP on 1 April 1998. Since then, the new UNDP Disaster Management Programme (DMP), which would be located in Geneva, had been preoccupied with start-up activities.

193. The Associate Administrator said that DMP would undertake the protection of development gains by helping to build national capacity for disaster mitigation, prevention and preparedness, while OCHA would continue to be responsible for disaster response. There was, therefore, a much clearer demarcation of roles and responsibilities within the United Nations system, but one that required a close strategic alliance between UNDP and OCHA. He said that a new opportunity had been created within the United Nations system to collaborate more closely in addressing disaster reduction in a systemic and mutually reinforcing manner.

194. DMP had been established with an initial staff of seven Professionals and four General Service, with 10 United Nations Volunteer programme officers for ongoing country programmes. DMP already faced a backlog of requests for country programmes, largely as a result of the El Niño phenomenon. DMP would be subject to regular monitoring and evaluation, with an initial review in 1999 and a full evaluation in 2000.

195. In assuming the functions of DMP, it was the position of UNDP that it had been given a mandate to address disaster reduction on behalf of the United Nations system. Therefore, it was the assumption of UNDP that the United Nations would continue to provide biennial grants for administrative support at least equal to its initial grant. UNDP was not and would not be in a position to allocate core resources for administrative support for DMP. In addition, UNDP felt that the establishment of a multi-donor trust fund would be the appropriate mechanism for the financing of DMP programmes.

196. A statement was made on behalf of the Emergency Relief Coordinator of OCHA. He said that his office remained responsible for the International Decade for Natural Disaster Reduction and for coordinating response to natural, environmental and industrial disasters. It was therefore necessary for UNDP and OCHA to continue to cooperate closely in light of the synergy between disaster mitigation and response, especially recognizing that the best time for building capacity for mitigation was immediately following a disaster, when many valuable lessons could be assimilated. OCHA looked forward to intensifying its cooperation with UNDP.

197. One delegation, speaking for another as well, said that the introductory statements had raised a crucial question: how was the new arrangement to be financed? What resources had been transferred to date? The two delegations shared the view of UNDP that administrative support for DMP should not come from UNDP core resources. The delegations asked for further details on the practical arrangements for ensuring coordination between UNDP and OCHA.

198. One delegation said that the United Nations organizational structure for disaster response and mitigation had been and continued to be complex. The delegation was not convinced that the new structure would be able to solve all the problems. It felt that the newly appointed Emergency Relief Coordinator had a key role to play and should receive all possible cooperation. The financing of the new arrangement required a permanent solution and, to the extent possible, the delegation favoured funding from UNDP core resources. It felt that the financial arrangement would be the subject of considerable discussion at the upcoming meeting of the Economic and Social Council.

199. Another delegation said that it supported the new arrangement and felt that UNDP would be playing a role that was natural to it. The delegation said that, in its view, the initial grant for administrative support from the United Nations had clearly been made on a one-time basis, and the delegation did not expect that to continue on a regular basis. The delegation opposed any mixing of assessed contributions to the United Nations with voluntary contributions to funds and programmes such as UNDP. The delegation, along with others, said that it looked forward to the report of the Secretary-General as called for in General Assembly resolution 51/185.

200. A number of delegations said that they favoured financing the new arrangement out of the regular budget of the United Nations. One delegation elaborated by saying that if administrative support for DMP came from UNDP core resources, that would reduce the amount of resources for the organization's other programmes; the delegation was opposed to that.

201. Several delegations from programme countries said that the question of disaster mitigation in achieving sustainable development was a crucial one and gave examples of actual or potential natural disasters disruptive to their national economies. They therefore firmly believed that the new programme was performing an invaluable service in building national capacity and in training personnel in order to help countries cope with natural and other disasters. One delegation noted that the new programme would be demand-driven and stressed its support for that concept.

202. Several other delegations spoke in favour of the new arrangements but reiterated that close cooperation with OCHA and the Emergency Relief Coordinator as well as other bodies would be crucial to its success. They asked for further elaboration on the coordination mechanisms that were either in place or were planned. One delegation asked what was being done about disseminating the knowledge that was gained about disaster relief and mitigation, and whether the knowledge gained was also disseminated to scientific societies. One delegation hoped that the new DMP would become operational as soon as possible. Another delegation asked for additional information on staffing plans.

203. In responding to questions from delegations, the Associate Administrator said that UNDP had requested $2.3 million from the United Nations for administrative support for the following two years, prorated from 1 April 1998; $1.3 million of programme trust funds had not yet been received. In response to questions about future financial arrangements, he said that the information he had supplied to the Executive Board was based on General Assembly resolution 52/12 B. As for co-mingling of voluntary and assessed contributions, he said that such situations already existed and cited examples. He reiterated that UNDP did not expect to finance DMP from core resources.

204. In response to questions about the coordination of disaster mitigation activities, the Associate Administrator said that at the global level a new coordinating body would be established the following month. At the country level, coordination was being carried out by disaster management teams that were already in place. UNDP would be in close contact with the Emergency Relief Coordinator as well as OCHA and other bodies such as the International Federation of Red Cross and Red Crescent Societies and, for technical matters, with the Scientific and Technical Committee of the International Decade for Natural Disaster Reduction, which served as an overall umbrella group for discussion and dissemination of scientific and technical information.

205. Concerning the staffing of DMP, he said that the current proposed level of staffing was based on, but less than, the level of staffing that had been in place under the previous arrangements and the amount of financing available. The posts were being advertised internationally and obviously required finding personnel with experience in the field.

206. The Executive Board took note of the report on Emergency Relief Coordinator: transfer of responsibilities to the United Nations Development Programme (DP/1998/18).

X. EVALUATION

207. The Director of the Evaluation Office introduced the agenda item on evaluation by saying that there were two key issues that he wished to highlight: (a) the increased focus within UNDP on promoting learning from its evaluation exercises and strengthening substantive accountability, and (b) the increased emphasis on results and their dissemination. He said that the challenge was to ensure that the lessons learned from the more than 100 evaluations that were carried out each year at a cost of $4 million to $5 million did indeed show an impact on the programme as a whole. That meant linking monitoring with evaluation: monitoring produced regular feedback and learning through self-evaluation while periodic evaluations picked up broader, larger lessons. Obtaining the greatest value from the organization's evaluation activities meant: (a) linking evaluation results to management decisions; (b) developing a demand-driven lessons learned facility; (c) setting up an evaluation network to strengthen the evaluation and learning culture in UNDP; and (d) promoting joint evaluations.

208. The Director reported on compliance statistics for evaluations, which were quantitative indicators but which did not reveal whether lessons were being

learned and whether those lessons were reflected in organizational improvements. UNDP had set a target of having 70 per cent of all projects evaluated. By 1997, 67 per cent of projects approved in 1988 and 1989 had been evaluated. The greater challenge was to integrate evaluation into the programme cycle so that it was not just an afterthought. During the coming year, the Evaluation Office planned three independent country programme reviews and two strategic evaluations - one on the role and experience of UNDP in reintegrating displaced populations and one on a review of the relationship between UNDP and the United Nations Office for Project Services.

209. The Director reported on where UNDP was in relation to its efforts to institute a system of results-based management in the organization. The first step had been a joint study with the Swedish International Development Cooperation Agency (SIDA) on managing results, which included an assessment of the experience of other international development agencies. An initial framework paper was discussed in May 1998, which included indicators for analysing situations and for measuring progress in the fields of governance and poverty. The framework was being tested and would then be refined so that it could be put into place globally in 1999.

210. The Minister of Finance and Development Planning of Botswana welcomed the progress achieved in developing results-based monitoring and evaluation within UNDP. Evaluation was an important tool to avoid poor utilization of badly needed resources. It was imperative to demonstrate results, and, where results were not achieved, to use performance standards and criteria to improve future programmes. He reported on the cooperative efforts between UNDP and the Government of Botswana to foster development in his country. The experience of his country had shown that evaluation needed to be two-pronged: from the country perspective, it needed to show how UNDP had contributed to meeting national objectives, while from the perspective of UNDP it needed to evaluate how well UNDP operational guidelines had been followed and implemented.

211. The Minister said that the results of the evaluations had clearly shown that the major constraint to achieving the objectives of UNDP programmes had been the dearth of trained nationals. Therefore, he felt that the organization needed not only to work to build its own capacity for self-evaluation but also to help programme countries to develop their capacity to evaluate their own performance. That would help to ensure sustainability of programme evaluation activities. The Minister endorsed further decentralization to country offices, saying that would make it easier for UNDP to quickly adjust programmes to changing situations.

212. Several delegations said that the report on evaluation had been useful although some said that it seemed to focus more on quantitative measures than on analysis. A number of delegations welcomed the efforts, as detailed by the Director, to strengthen the evaluation system inside UNDP. One delegation said that the report showed that UNDP was becoming more results-oriented. Delegations spoke of the necessity to ensure that evaluation results were used within the organization. One delegation said that UNDP efforts to integrate evaluation results into programme results were laudable, particularly at the national level - a good example of the reform that was going on inside UNDP.

213. A number of delegations said that the joint evaluation with SIDA was a good idea. One delegation, speaking for another as well, said that it would like the results of the evaluations to date to be made available to the Executive Board. It also welcomed the evaluations of UNDP efforts in the area of good governance. One delegation said that the thematic evaluation on governance was critical. It also asked how the Evaluation Office fitted into the United Nations Development Assistance Frameworks (UNDAFs). Those comments were endorsed by another delegation as well.

214. One delegation, speaking for three others as well, noted that many of the discussions during the current session of the Executive Board had focused on the need to achieve results and then to make those results known. Several delegations said that showing results helped to mobilize resources. Therefore, the expectations placed on the Evaluation Office were high. Those delegations said they supported the creation of an evaluation mechanism separate from the operational lines of the organization, which they thought was a precondition for achieving objective evaluations. Delegations also felt there was a need to more systematically link the findings of evaluations to top management. Adopting a management response system would help UNDP develop into the learning organization that it was striving to be. The delegations stressed that the Evaluation Office should not become involved in operationalizing or implementing the recommendations emanating from its evaluations.

215. While welcoming progress made, several delegations were of the opinion that further work was necessary: the time lag in the completion of evaluations was often very lengthy; there was variance in the quality of the results obtained; and coverage and compliance seemed to be inadequate. With regard to the evaluations of governance activities, one delegation felt that the evaluations had been less than complete in discussing negative results and mistakes, which were an inevitable part of the learning process. It asked whether compliance with evaluation requirements was considered in the performance ratings of UNDP field staff. It also asked for regular briefings on Evaluation Office products. The delegation looked forward to stronger enforcement of regulations requiring completion of the project evaluation information sheet and the establishment of a transparent tracking system for mandatory evaluations.

216. Several delegations picked up on the theme mentioned by the Minister from Botswana and pointed out that countries that evaluated the results of their own projects were better able to sustain them. Helping countries to follow up on evaluations was crucial. Another delegation reiterated that national execution and its evaluation needed to meet the needs and requirements of the programme country concerned. The development of performance indicators needed to be treated with caution, however, to avoid one-sided conclusions: indicators needed to be agreed with the programme countries, which also wanted to become learners in the process. The same delegation asked whether the reference to cumbersome procedures in evaluating nationally executed projects referred to the procedure of the country involved or of UNDP. It was the view of the delegation that the value added that UNDP brought to the field of development was extremely difficult to quantify.

217. One delegation asked for a comment on the differences in compliance rates on evaluation among different bureaux and asked how the overall compliance rate

could be improved. One delegation asked, in particular, why the Regional Bureau for Europe and the Commonwealth of Independent States had had so few evaluations.

218. A number of delegations said that the development of a handbook on monitoring and evaluation was a very good first step but that training in the use of the manual had to follow and asked for more information on the training that was being provided to field staff. In that regard, one delegation said that it had the impression that effective evaluations were being carried out at the headquarters level but that that was not always true in the field. The delegation strongly supported efforts to cooperate with other agencies in monitoring and evaluation and was interested in hearing more about the Inter-Agency Working Group on Evaluation. One delegation spoke in favour of more mid-term evaluations.

Response of the Administration

219. The Director of the Evaluation Office thanked delegations for their interest and the commitment they had manifested to evaluation.

220. In response to the statement of the Minister of Botswana and other delegations, he said that capacity-building was a preoccupation of UNDP and that monitoring and evaluation were central in fostering such capacity-building. In fact, one of the things his office was trying to achieve was to have greater interaction between countries that had developed expertise in monitoring and evaluation, such as Botswana, and those that could benefit from such experience.

221. In response to the statements of delegations stressing the necessary link between evaluations and management response, he said that it was the aim of his office to help the Administrator manage the organization more effectively. He fully realized that the results of an evaluation did not end with the publication of a report but that additional work needed to be done to see that recommendations were followed up. For example, upon the conclusion of the recent evaluation of the programme approach, his office had worked in a proactive way with other bureaux in order to help them to have a better understanding of the recommendations emanating from the evaluation. If an evaluation came up with, for example, 15 or so recommendations, the Evaluation Office tried to bring 4 to 5 key recommendations that required policy decisions to the attention of the Administrator. His office was trying to do a better job of connecting evaluation, recommendations and implementation, but, of course, implementation rested with the operational bureaux.

222. In answer to a question as to why the number of evaluations had decreased, the Director said that the size of projects and programmes had grown, which meant that fewer were needed. As to why the Regional Bureau for Europe and the Commonwealth of Independent States had had few evaluations, he said that it was because the Bureau was relatively new and projects that had been developed since 1991 were just starting to be evaluated. In addition, few of the projects had resources over $1 million.

223. In addressing questions concerning the measurement of results, the Director said that that was a work in progress. There were no magic answers, but he felt

that UNDP had made a lot of progress. In October 1998 there would be a Development Assistance Committee (DAC) workshop/seminar on indicators. The aim of UNDP was not to reinvent anything but to make use of what was already available. At the same time, it was not desirable to add to the data collection duties of the country offices. There had been several questions about the Inter-Agency Working Group on Evaluation. He had chaired the latest session the previous week and felt that it constituted a good basis for moving ahead in the future. He also felt that it should meet more often than once a year, although not the full group.

224. On the question of linking evaluation compliance to personnel performance reviews, the Director said that that was not currently the practice and perhaps the administration should look at incentives to ensure staff compliance with evaluation needs. The tracking system for evaluation compliance was now under way. On the question of compliance, he said that it was more comprehensive than might be thought. The results were available country by country since that was how the data were received. It was true that much of the data were in the form of statistics, but his office was working hard to get more information on the substance of those evaluations.

225. On the question of external evaluations, the Director said that some had been undertaken in the past, including the 1996 thematic evaluation on environmental concerns and an evaluation of governance activities in 1997. The results of those evaluations had been and would continue to be communicated to the Executive Board.

226. As for training, UNDP had developed a training module on results-based monitoring and evaluation. It was being pilot-tested in the occupied Palestinian territory. A Canadian consulting company that had achieved good results with results-based management techniques in the past was being used to help to develop the training package.

227. Concerning joint evaluations, the Director said that there was a commitment within UNDP to do that as much as possible. For example, UNDP and UNFPA had made a commitment to carry out one strategic evaluation together, and the United Nations Development Group had agreed in principle to carry out a joint evaluation of the UNDAF in 1999, which would be different from the evaluation that UNDP was currently conducting on its own. UNDP was also working closely with DAC on the strategy for the twenty-first century.

228. In responding to delegations' queries about how results would be used at the country level, he said that the major need was a shift in thinking from outputs to outcomes. The core issue was the results in the programme countries, and he thanked the delegations of those countries for the positive things they had had to say. In the discussion of national execution evaluation procedures, the report was referring to the procedures of UNDP, not those of the countries.

229. In response to the question of why there was such a long time lag in obtaining data on compliance, the Director said that the cycle of development was 8 to 10 years and that was also true of other organizations, including the World Bank, which was currently looking at projects approved in 1988 and 1989. In terms of coverage, he said that while the total number of projects evaluated

was approximately 66 per cent, in terms of funds only 15 per cent were not evaluated. He agreed with one delegation that had said it might be necessary to increase staffing for evaluation in the future.

230. The Executive Board took note of the report on UNDP evaluation activities (DP/1998/19).

XI. UNITED NATIONS VOLUNTEERS

231. In introducing the report of the Administrator on the United Nations Volunteers (UNV) programme (DP/1998/20), the Executive Coordinator noted that during the last biennium major strides had been made both in the number of volunteers in service and the range of activities performed. Highlights included the growth of the national UNV mechanism, reflecting the importance attached to that modality in national capacity-building; the greater utilization of UNV expertise in supporting activities addressing poverty, particularly those at the grass-roots level; and the increase in the number of female volunteers, who, at the end of the biennium, accounted for 35 per cent of all serving UNVs. The Executive Coordinator also noted the expanded work in human rights in support both of United Nations operations and of the field operations of the Office of the High Commissioner for Human Rights. She paid a special tribute to the three UNVs who had lost their lives serving the cause of human rights during the last two years.

232. In conjunction with the above, it was noted that in 1997 a record number of 3,620 qualified and experienced professionals from 144 nations served as UNVs in 147 developing countries and countries in transition, signifying the universality of the UNV programme in encompassing all regions of the world, providing a channel for the transfer of appropriate skills within and among regions, and fostering relationships among nations.

233. The loss of over 60 per cent of seasoned staff during the relocation of the UNV programme's headquarters to Bonn, Germany, in 1996, had presented a challenge, but also an opportunity for the UNV programme to reappraise itself. The programme reviews of 1995 and 1996, the workflow analysis of 1997 and the comprehensive internal audit of December 1997 all identified areas requiring management attention. Entering the next biennium, therefore, the UNV programme would be undergoing a period of consolidation. Actions would include stricter financial management controls, improved monitoring and evaluation systems, greater decentralization, and strengthened support to UNV Programme Officers in the field. Within that context, the Executive Coordinator requested the Executive Board to endorse the use of Special Voluntary Fund resources to underpin measures in response to the audit report and to give explicit authorization to use Special Voluntary Fund resources for thematic, cross-cutting evaluations and for supplementary monitoring of UNV projects. The Executive Coordinator noted that as focal point for the International Year of Volunteers, 2001, the UNV programme had an unparalleled opportunity to promote volunteer contributions worldwide.

234. Delegations congratulated the UNV programme for maintaining its responsiveness and relevance to the changing global environment, noting in

particular the broadened range of mechanisms that the UNV programme offered, its continued efforts to forge strategic partnerships with international, national and local bodies, and its strengthened outreach capacity at the grass-roots level. The UNV programme's success in achieving increased representation of female volunteers was also commended. One delegation noted that a particular strength of the UNV programme was that, as a provider of experienced personnel to the United Nations system as a whole, it was complementary rather than competitive. While concurring with the delegation's observation that the extent of volunteer contributions, particularly within the context of United Nations operations, did not always receive due recognition, the Executive Coordinator noted the need to share visibility with partners and further remarked that any success of the UNV programme reflected the good work of the United Nations as a whole.

235. Several delegations made special reference to the contributions of volunteers in humanitarian relief, peacekeeping and human rights activities and the considerable potential for volunteer action to act as a bridge spanning post-conflict situations to development. One delegation expressed its deep satisfaction with initiatives conducted through the White Helmets special window. Another declared its hope that more use would be made of mixed teams of international and national UNVs in such operations. It was felt that that would prove not only cost-effective but would also serve to develop a corps of committed, experienced personnel from which the international community could draw. Specific reference to the UNV programme's recent partnerships with the Organization for Security and Cooperation in Europe and the European Union was also made.

236. Delegations from programme countries expressed appreciation for the valuable contributions of UNVs in their development programmes and their impact at the grass-roots level in particular. Equally important was the channel that the UNV programme provided for their nationals to serve as UNVs and, by so doing, to foster South-South cooperation. Delegates cited, *inter alia*, the benefits of shared knowledge, experience and understanding of other cultures, as well as the strengthened commitment on the part of returning UNVs to serving their own communities. Several speakers also highlighted the value of the United Nations International Short Term Advisory Resources and the Transfer of Knowledge through Expatriate Nationals programmes and urged that greater consideration should be given to tapping those services. Others noted the need for UNV to receive assured financial support from the donor community if it was to maintain its responsiveness to its partners.

237. The UNV programme was commended for taking steps to ensure that appropriate administrative and managerial tools were put in place both to address issues arising from the reviews and internal audit, and, with the growth of the programme and diversification of activities, to ensure continued efficiency and a service-oriented approach. In responding to concerns regarding streamlining and decentralization raised by two delegations, the Executive Coordinator advised that over 50 per cent of actions required by the audit had already been carried out and that the remainder would be completed by the end of the year. With regard to issues raised relating to transaction costs, accounting and reporting, the Executive Coordinator welcomed offers of support made by two delegations regarding the standardization of procedures and informed the

Executive Board that discussions had already been initiated with UNDP to achieve that.

238. Many delegates expressed their appreciation of the content of the overall report. It was noted, however, that it could have been strengthened by including more detailed information on new partnerships, resource flows and sourcing thereof, activities financed through the Special Voluntary Fund, the link between budgeting and programme priorities, and the targets against which performance would be measured. The Executive Coordinator assured delegates that the UNV programme would endeavour in future reporting to ensure that such information was made available. The publication of an annual report as of 1999 would also serve as an additional channel. At a more general level, it was agreed that the UNV programme and its strengths needed to be better known.

239. The framework of activities to be financed from uncommitted resources and the surplus of pro forma costs over actual costs was supported by many delegations. In responding to issues raised by delegations, the Executive Coordinator confirmed the need for the UNV programme to have its own independent evaluation facility. The UNV guidelines for evaluation were consistent with those of UNDP. Delegates were also assured that efforts would be made to coordinate more closely with partners in project evaluations. With regard to security, the Executive Coordinator confirmed that activities, including regional security workshops, would continue to be undertaken. The suggestion that the UNV programme should report on those activities was noted.

240. With reference to the Fourth UNV Intergovernmental Meeting held in December 1997, delegations noted the successful outcome of the meeting and welcomed the recommendations contained in the concluding Bonn Declaration, including the elements of Strategy 2000.

241. Several delegations reaffirmed their strong support of the International Year of Volunteers, noting that it provided an opportunity not only to promote the various volunteer services but to promote volunteer contributions and the value of voluntary work within societies. One delegation underlined the need to ensure that assuming responsibility as focal point for the International Year of Volunteers did not detract from the UNV programme's core functions; another expressed its hope that adequate resources would be made available to the UNV programme to carry out its role effectively. Several delegations expressed interest in receiving further details of the proposed framework of activities.

242. The Executive Board adopted the following decision.

98/13. United Nations Volunteers programme

The Executive Board

1. Notes the diversity in the range of work of the United Nations Volunteers and their roles, the growth of the United Nations Volunteers programme overall and, in particular, the achievement of reaching the largest number of serving volunteers;

2. Also notes the key messages of the Fourth Intergovernmental Meeting, captured in the Bonn Declaration;

3. Commends the United Nations Volunteers programme for continuing its efforts to ensure relevance through the launching and implementation of Strategy 2000;

4. Notes the issues identified by the internal management audit and recognizes the work under way by the United Nations Volunteers programme to respond to its findings;

5. Welcomes the decision to proclaim 2001 as the International Year of Volunteers;

6. Approves the proposals for the use of the one-time Special Voluntary Fund surplus, totalling $1.8 million, to implement the recommendations of the internal management audit;

7. Requests the United Nations Volunteers programme to report at the third regular session 1998 on the management of the reserve for security and medical evacuation needs in the context of the annual review of the financial situation;

8. Decides that it is appropriate to finance from the Special Voluntary Fund strategic and cross-cutting thematic evaluations and to supplement the monitoring of United Nations Volunteers and projects executed by the United Nations Volunteers programme.

19 June 1998

XII. RESOURCE MOBILIZATION

243. The discussion of the question of resource mobilization was opened by the President of the Executive Board, who reported on the work of the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy. He said that he was pleased with the progress of the Working Group to date and that it had met nine times to discuss the substantive elements of the work plan. Topics addressed at meetings of the Working Group included current and historical perspectives on UNDP funding, determination of UNDP funding requirements, current and future UNDP hedging practices, criteria for setting UNDP core funding targets, and the link between the UNDP communication, information and advocacy policy and its link to resource mobilization.

244. The President noted that a prominent issue for the Working Group was the question of predictability of funding, stressing that both greater predictability and a greater volume of resources were critical. The next Working Group meetings would examine the issue of burden-sharing. The Working Group would meet again later in the summer, with the aim of presenting its report and recommendations to the Executive Board at its third regular session 1998.

245. The Administrator spoke about the issue of resource mobilization, saying that the overriding challenge for 1998 was to reverse the decline in contributions to core resources. He also spoke of the need to put funding on a more stable and assured basis. He complimented the Working Group on its work to date and said that although it had concentrated on the central issue - core resources - the secretariat was also looking at such non-core mechanisms as partnerships with the European Commission and the private sector. In discussing non-core funding, he also reported on the initial grants that had been made by the United Nations Foundation, Inc., established by Ted Turner. He looked forward to the final report of the Working Group and bringing to fruition a strategy that would make the funding of UNDP predictable, assured and sustained and that would achieve the volume of core resources needed for UNDP to carry out its mission.

246. One delegation, speaking for three others as well, said that although they shared a strong commitment to multilateralism and to UNDP, they felt they were shouldering a disproportionate share of the funding for the organization. An overdependence on a limited number of donors carried risks for its long-term financial sustainability. This was particularly regrettable in that UNDP had made progress towards becoming a more focused organization at the same time that it had played a coordinating and facilitating role in the ongoing United Nations reform process. While continuing their own level of support, the four delegations urged other countries to make a greater contribution as well.

247. Another delegation said that continuing efforts needed to be made to keep parliamentarians and government officials aware of development needs and to try to reverse the decline in official development assistance. One delegation stressed that it was also necessary to be realistic about current conditions and to increase the effectiveness of the financial resources that were available. Along the same lines, another delegation said that it was not just a question of improving the organization, as desirable as that was, but of the lack of political will to support multilateralism, and that could only be addressed at the highest political levels. Several delegations mentioned that results-based budgeting could be an effective tool.

248. The delegation of one programme country highlighted the fact that there was a commendable spirit of partnership within the Working Group. Echoing that, several other programme countries said that while they welcomed the work of the Working Group, namely, trying to address the serious nature of the decline in core resources, it must be kept clear that any funding strategy must safeguard the character of UNDP, i.e., its neutrality and universality. It especially needed to be kept in mind that all programmes were, and had to remain, country-driven.

249. Speaking on the predictability of funding, several delegations said that their parliamentary procedures and/or financial regulations made it impossible for them at that stage to make multi-year pledges. One delegation said that the voluntary nature of contributions to UNDP needed to be stressed and that multi-year pledges, while no doubt helpful to the organization, violated that voluntary principle. The same delegation said that it would work with its Government and UNDP to see how it might be possible to increase multi-bilateral funding. Another delegation, while acknowledging that all contributions to UNDP

were necessarily voluntary, suggested that perhaps it was a bad strategy to insist too much on the word "voluntary" when talking to Governments, etc. - that gave them a ready excuse to cut funding in the face of other national priorities and constraints.

250. The Executive Board took note of the oral report of the President on the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy.

Round-table mechanism

251. The Associate Administrator made introductory remarks reviewing the round-table mechanism. He said that it was a notable example of a coordinated United Nations approach to combating world poverty. He said that programme countries needed forums in which they could mobilize external assistance that, in addition to their own domestic resources, could help them to meet their development needs. The round-table mechanism was one such forum. It had evolved in the 25 years of its existence from an instrument for policy dialogue between programme countries and donor countries to one that included a wide range of national and international partners, both governmental and non-governmental, and included the private sector as well.

252. In recent years, the number of round-table countries had increased to include Angola, the Congo, the Democratic People's Republic of Korea and Namibia. Chad, Gambia and Mali were preparing for round-table meetings. UNDP was committed to working with programme countries and other partners to adjust and strengthen the round-table mechanism further and was looking forward to carrying out a full evaluation of the mechanism.

253. Several delegations said that they agreed on the usefulness of the round-table mechanism and congratulated UNDP on taking the lead in coordinating the mechanism. They asked that the organization continue to work to improve it. Another delegation pointed out that the round-table mechanism could facilitate private sector support and could focus not just on official development assistance but also trade, investment and debt relief.

254. One delegation agreed with the Associate Administrator that it was necessary to sensitize partners to the strategic needs of the programme country prior to the round-table meeting, which should not lose sight of the goals of the programme country. It also agreed that the success of the mechanism required the commitment of the programme country.

255. One delegation suggested that UNDP be careful in the way the round-table mechanism was used so that it did not give rise to false hopes in the programme country. Several other delegations concurred. One delegation said that the round-table mechanism had great value and should be used as appropriate but should not lead to a multiplicity of meetings.

256. The key to the success of a round-table, according to one delegation, was to have as frank a policy dialogue as possible. The same delegation agreed with the Associate Administrator that the round-table mechanism could provide a forum for applying the 20/20 Initiative in getting programme countries to pledge to allocate 20 per cent of budget expenditures to basic social services, which

could then be matched by donor contributions. The delegation said that that offered opportunities for programme countries to increase investment in basic social services.

257. The Associate Administrator thanked delegations for the views expressed.

258. The Executive Board took note of the report on the round-table mechanism (DP/1998/CRP.2).

XIII. COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Myanmar

259. The Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific introduced the note by the Administrator on assistance to Myanmar (DP/1998/21), which sought the Executive Board's approval for UNDP assistance to Myanmar for the period mid-1999 to end-2001. The document, which provided key considerations and criteria for continuation of the Human Development Initiative-Extension (HDI-E) and proposals for continuation of the humanitarian assistance begun by the Office of the United Nations High Commissioner for Refugees (UNHCR) in northern Rakhine State.

260. The proposals presented to the Executive Board were formulated following a process of intensive consultations with grass-roots communities, United Nations agencies, diplomatic missions, and civil society organizations, and were developed by a small team of country office colleagues and headquarters staff, assisted by a senior international expert. The Assistant Administrator emphasized that all proposals conformed fully with the guidelines outlined in Governing Council decision 93/21 and Executive Board decisions 96/1 and 98/4.

261. Delegations commented favourably on the work of UNDP in Myanmar in favour of sustainable development and the eradication of poverty and expressed their appreciation of the focus on targeting the poor. Several delegations encouraged UNDP to continue to adhere to the guidelines of Governing Council decision 93/21, while others expressed the hope that conditions would soon allow UNDP to resume normal programming. Some delegations noted the positive feedback from their embassies in Yangon on UNDP grass-roots activities and the regular dialogue maintained with civil society organizations. One delegation particularly emphasized the need for continued dialogue with the National League for Democracy. Delegations were appreciative of UNDP efforts to maintain both formal and informal consultations on its activities in Myanmar.

262. Several delegations commented on the proposed programme of development assistance for the northern Rakhine State; some stated that UNHCR, which was currently providing assistance to the returnees in the area, should continue its protection and monitoring role following its phasing-out by the end of 1999. One delegation offered support through its Human Resources Development Fund. Some delegations noted that a number of project evaluations had been carried out and looked forward to receiving more information on that in due course. One delegation, supported by another, welcomed the implementation of micro-credit and income-generation activities by non-governmental organizations.

263. Delegations expressed their support for the organization's continued assistance to Myanmar within the framework of the HDI-E, and the extension of that support for a programme of development assistance in northern Rakhine State.

264. The Assistant Administrator assured the Executive Board that UNDP had taken note of all of their comments and would follow them very closely. He thanked Executive Board members for their useful guidance and support of UNDP activities in Myanmar. UNDP would continue to work closely with UNHCR in northern Rakhine State.

265. The delegation of Myanmar expressed its appreciation to UNDP and to the Executive Board. It recalled the technical assistance that had been provided by UNDP to Myanmar since 1961, first through regular programming and, since 1993, in accordance with specific Governing Council and Executive Board mandates. It noted that the sustainability of UNDP assistance in the long term would rest with the national authorities and on the utilization of national bodies and local expertise. It urged UNDP to consider the adoption of regular programming in the near future to benefit all the peoples of Myanmar.

266. The Executive Board adopted the following decision.

98/14. Assistance to Myanmar

The Executive Board

1. Notes that continued funding of project activities in the sectors previously outlined in Governing Council decision 93/21, and confirmed by Executive Board decision 96/1, is estimated at $50 million for the period mid-1999 to end-2001;

2. Authorizes the Administrator, on a project-by-project basis, to approve HDI-E project extensions up to $36.9 million from target for resource assignment from the core (TRAC) resources for the current resource planning period, and up to $13.1 million from the TRAC resources for the next resource planning period, as they become available;

3. Authorizes the Administrator to mobilize, in consultation with the other United Nations funds and programmes concerned, non-core resources for a United Nations system-wide programme of assistance to northern Rakhine State, through appropriate mechanisms and modalities;

4. Requests the Administrator to continue to provide the Executive Board, on an annual basis, with a report on the progress and challenges in the implementation of project activities of the Human Development Initiative.

19 June 1998

Belarus

267. The Assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States provided the Executive Board with updated information on the implementation of the country cooperation framework (CCF) for Belarus, which had been approved in 1997 with the provision that the Executive Board be kept informed about its human rights component. The general lines of developments in the implementation of that component were included in document DP/1998/22, and the Assistant Administrator provided the Executive Board with additional details on recent developments. He said that the Executive Board's decision had helped UNDP to maintain a constant dialogue with the Government of Belarus, which had enabled UNDP to make progress with the Government and civil society in carrying out the activities covered by the CCF.

268. One delegation said that it supported the underpinnings of UNDP support to Belarus, including its support for democratization and civil society, including non-governmental organizations (NGOs). However, it did not agree with the statement in document DP/1998/22 that Belarus was "... at a critical juncture in its transition from a centralized form of government to a decentralized, democratic society" (para. 2). The delegation said that, unlike its neighbours, Belarus had reasserted authoritarian controls over society and had silenced the media, civil society and NGOs. It urged UNDP to exercise extreme caution in implementing its programme in view of the worsening political environment. UNDP needed to avoid duplication with other organizations working in the same areas and to see that there was a unified approach to the human rights issue in Belarus.

269. One delegation, endorsed by two others, said that it was generally favourable to the UNDP contribution in Belarus, particularly in the areas of democratization and human rights. It asked to be kept informed on a yearly basis on the pace of programme implementation. The delegation commended the organization's innovative and creative fund-raising efforts, which included working with the private sector, foundations, the European Union and Governments.

270. One delegation, speaking for another delegation as well, also said that it supported UNDP efforts, particularly in strengthening cooperation with NGOs and civil society. It was pleased that the work of UNDP was consistent with and complementary to the work of the European Union to strengthen civil society. It hoped that UNDP had the human resources needed to follow up on its activities. Another delegation noted that Belarus had asked for assistance in establishing a human rights institute. UNDP support for use of the Internet, to the mass media, and in favour of a United Nations research centre in the university were all aimed at facilitating the establishment of such an institution.

271. The representative of Belarus thanked UNDP for its assistance and noted the support being given in the above-mentioned areas. It hoped that assistance would not be reduced.

272. The Assistant Administrator agreed with the accuracy of the statement concerning the transition. He was optimistic but had stressed the words "critical juncture" in his statement. UNDP would continue to work with the

Government on the transition. He urged countries that were impressed with UNDP efforts to help out with financial assistance. The Resident Representative in Minsk would discuss the needs of the programme with representatives of potential donor countries. He said that UNDP would be pleased to report annually to the Executive Board on the implementation of the human rights component of the CCF for Belarus.

273. The Executive Board took note of the report on the implementation of the human rights component of the first country cooperation framework for Belarus (DP/1998/22).

Papua New Guinea

274. The Minister for Bougainville Affairs of the Government of Papua New Guinea addressed the Executive Board. He said that his Government appreciated the assistance of UNDP in potential donor coordination to help meet the needs of the island of Bougainville following the recent peace agreement. After nine years, peace had come to Bougainville but the Government of Papua New Guinea did not have the necessary funds to carry out the reconstruction that was required, especially given the drought that had afflicted the country during the preceding year. UNDP support would be critical; its $2 million contribution was going towards rebuilding communities and their mechanism for governance. The Government was committed to the peace process, and the Minister was convinced that with the assistance of the international community it would be a success.

XIV. COMMUNICATION AND INFORMATION PROGRAMME

275. The Assistant Administrator and Director of the Bureau of Resources and External Affairs opened the discussion of agenda item 14 by saying that an effective communication and information programme was vital to the success of UNDP and that the organization had made significant progress in developing such a programme in recent years. The communication strategy had two main objectives: to sharpen the profile and visibility of UNDP in both donor and programme countries; and to promote understanding and support for UNDP.

276. The Director of the Division of Public Affairs said that in the early years of UNDP, communication, information and advocacy had not been considered priorities because there had been worldwide, broad-based support for development assistance and for multilateral cooperation through the United Nations. That, however, had changed. As a result, in July 1995 UNDP had adopted a corporate communication and advocacy strategy, which was reviewed and updated as necessary. He then discussed various communication tools and methods that the organization was using to carry out the strategy.

277. Several delegations thanked the Director of the Division of Public Affairs for his introduction and for the excellent work that his Division was doing, saying that the enthusiasm he exhibited was a necessary element if the organization was to have a successful communication and information programme. Some delegations did say, however, that the oral report included much information on the different communications efforts that had been carried out but that the goals and targets of those efforts were not always clear. Another

delegation said that it found that the communication strategy as presented lacked a systematic approach. One delegation noted that the budgetary implications called for in decision 97/17 were missing in the Director's introduction. Another delegation said the Executive Board needed a costed plan in order to take a decision about the communication and information programme and asked, in the future, for more information on budget costs.

278. One delegation prefaced its remarks by saying that communication was an area in which everyone thought he or she was an expert. The delegation found that UNDP was doing good work in the area of communication. In its view, the communication strategy should concentrate on opinion leaders and should work to form their opinions on development questions. But that was long-term work: public opinion could not be changed overnight.

279. One delegation said that it agreed with the Administrator when he had said that in order to have a clear message you needed to have a clear organizational definition. One delegation said that it was clear that UNDP needed a clear and assertive communication strategy. In that regard, it said that it was impossible to overstate the importance of publicizing success stories. One delegation agreed that any communication strategy had to answer some fundamental questions: what were its goals; what messages worked best; and what results were expected? Another delegation said that the strategy needed to present a clear idea of its target groups and then decide what messages to send to different target groups and via what media. One delegation said that the communication strategy had to be clearly linked to the other goals of the organization; it felt that those links were not always clear. One delegation pointed out that when policies were being developed, consideration should already be given to how that policy would be communicated.

280. One delegation argued for a thematic approach in the communication strategy, saying that poverty eradication, sustainable livelihoods and gender equality needed to be the entry points. Another delegation urged that communication activities stress that development was a fundamental right and highlight the number and plight of poor people in the world. One delegation agreed with others that it was very difficult to build a profile in a short amount of time. That delegation had doubts about the value of creating a UNDP profile as such: it felt that communication efforts should include more on United Nations work in development as a whole. Another delegation supported that point of view, saying that work should be done to increase the profile of the United Nations; the average person did not differentiate between United Nations agencies. A third delegation wondered whether greater communication efforts by different United Nations bodies were leading to increased competition between agencies.

281. A number of delegations said that if UNDP was to be successful in bringing greater public attention to the issue of development, there was a need to find allies in its communication efforts among other organizations. One delegation said that it had the sense that at the country level UNDP worked with allies for coordinated advocacy but that not as much seemed to be done at the global level. Another delegation said that it was necessary to cooperate with other agencies in changing public opinion not just in favour of UNDP but also in favour of multilateral assistance as such.

282. Several delegations stated the view that effective communication was an important tool in resource mobilization. One delegation said that one of the necessary goals of any communication strategy was to convince taxpayers of the valuable work that UNDP was doing. In order to do so, it needed to send a clear message to constituencies about UNDP and what it was accomplishing. Several other delegations agreed that UNDP needed to present a clear, positive image in traditional donor countries. One delegation said that resource mobilization and communication were closely linked and that "visibility" and "impact" were key words. Another delegation said that in its view the oral report did not make clear what the communication strategy would do in the future to help put UNDP on a firm financial footing. Another delegation said that UNDP needed to have clear, concise success stories linked to resource mobilization efforts.

283. One delegation pointed out, however, that the link between communication and resource mobilization had to be subtle if it was to be effective: any communication product that was too obviously an appeal to the wallet would not be listened to. Another delegation said that while it was important to mobilize resources, that alone was not sufficient - it was necessary to affect the consciousness of the world's countries on development issues and that included reaching out to young people, not just to opinion leaders. Two other delegations agreed with that viewpoint. Another delegation said that all stakeholders needed to be informed at all stages of the policy.

284. Delegations felt that measurement of the impact of UNDP communication efforts needed to be strengthened. Not enough work had been done on evaluating the impact of different communication products on different audiences. Of course, the Executive Board realized that it was difficult to measure such impact. One delegation also said that it was aware that it was difficult to make an impact when there was so much competition for attention. In the case of communication activities designed to help in resource mobilization, the measures should be tied to academicians, Governments and parliamentarians. Products should be planned carefully to reach desired targets, especially parliamentarians. One delegation suggested carrying out market research so that the organization could test the best ways to convey its messages so that they were relevant to the lives of target audiences. One delegation summed up the issue by saying that UNDP needed to have a better idea about what went on in the heads of the readers of its brochures, viewers of its videos, etc.

285. Several delegations said that they felt it would be useful to have more of the organization's resources devoted to communication activities. One delegation said that in an era of diminishing resources, one of the best ways to counter that would be to expand communication efforts. The external environment meant that more resources needed to be put into communication, which must reflect the priority of the organization.

286. One delegation said that the most important advocacy work was done at the programme country level and that those activities had to be linked to the efforts of programme countries themselves. In doing so, another delegation pointed out, full consideration needed to be given to relevant national and regional factors. One delegation said that a lot could be accomplished by sponsoring media-related events in programme countries, especially events that were tied to larger international media events. One delegation cited several

examples of successful media events in its country, including the annual publication of the Human Development Report, which had been found to be an effective advocacy medium. One delegation said that UNDP should make use of national media professionals at local levels to get its message across. Another delegation said that in programme countries, academicians, religious and political leaders, the media, and the representatives of donor countries all had to be part of the audience. In that regard, nationally known Goodwill Ambassadors could be a useful framework to attract the public's attention.

287. One delegation said that it was pleased that UNDP was encouraging the growth of a culture of communication inside the organization. Another delegation said that fostering such a culture included incorporating communication into organizational training, which, it noted, UNDP was doing. A third delegation said that the culture of communication started at the top, and it felt, therefore, that the main spokesperson for the organization should be the Administrator; he should show the human face of the organization.

288. Several delegations asked specific questions and offered comments on other issues relating to communication. One delegation asked if any of the publications were saleable. It also asked why Danny Glover had been chosen as a Goodwill Ambassador, saying that he was better known for his work as a human rights activist while the focus of UNDP was on poverty alleviation. Another delegation endorsed the concept of international Goodwill Ambassadors, saying that they could prove to be very valuable.

289. One delegation offered a practical suggestion: communication programmes should target embassies of donor countries in programme countries. It suggested that resident coordinators talk to those embassies about various UNDP activities because the information would then be fed back to capitals.

290. One delegation pointed out that a survey had been carried out in September 1997 to analyse the impact of Choices magazine and should have been available. One delegation said that the videotape that had been shown to the Executive Board about UNDP did not seem to differentiate that organization from a number of others that were doing similar work. The delegation suggested having a "year of communication" in 1999, and it wondered whether UNDP had thought of setting up national chapters to serve as advocates for the organization. Another delegation asked if it would be possible to use former United Nations officials as national liaison officers.

291. One delegation said that in addition to the traditional print media, more needed to be done in audio-visual media as well. The same delegation asked that UNDP step up its efforts to make its communication products available in as many languages as possible, saying that, for example, all important publications should be available in Chinese.

292. One delegation mentioned a reference in the Director's statement about working with local mayors. Mayors were usually urban-based while the really poor were in rural areas. Another delegation said that the private sector should also be targeted by communication activities. Another delegation asked if corporate bodies and manufacturers could be targeted to get in-kind contributions.

Response of the Administration

293. The Administrator said that no subject had taken up more of his attention over the last five years than the question of how UNDP could best communicate its efforts in support of development. He himself came from the NGO world, where for decades they had never worried about profile and communication. All of that had changed. In the past, resident representatives had kept their heads down and had not wanted publicity. Now, an Administrator, he was trying to make UNDP a more extroverted organization. He had been working to de-train resident representatives out of the habits of the past and had, for example, urged them to take journalists with them when they visited projects in the field. He gave high marks to BREA and the work it was doing. However, he wanted to warn the Executive Board that it was not possible to go from being unknown to becoming a household word. The goal must be to develop an organization that was known and respected by high-impact audiences in large donor countries. He said that he felt that such recognition of UNDP and its work already existed in programme countries. In answer to suggestions that more money be spent on communication, the Administrator said that a lot of the organization's declining resources were already spoken for, unfortunately.

294. The Administrator said that he agreed that it was necessary to work with allies and said that the members of UNDG were working together to create a complementary communication strategy. There was, he acknowledged, a certain amount of competition among agencies. But it was also true that they would rise or fall together. He said that he wanted to continue the dialogue with the Executive Board on the UNDP communication strategy: if the Board was not the biggest supporter of UNDP, then who would be? He counted on the continued guidance and support of the Board.

295. The Director of the Division of Public Affairs said that he was encouraged by the support and the suggestions and that he had taken note of them all. He agreed with the view that the organization needed to work to get public acceptance of multilateralism, not just of UNDP. The objectives of the UNDP communication strategy included raising awareness of the economic and social work of the United Nations as a whole. That could be of intrinsic help to UNDP as well. In answer to one question, he said that the themes on the video shown to the Board were ones that were designed to highlight the problems of development, not just to showcase UNDP.

296. The Director said that the corporate communication strategy was global in scope; nevertheless, in bringing the UNDP message to all stakeholders, he and his staff were well aware that it was necessary to tailor messages to different audiences and that it was also necessary to decide what were the best means of reaching a target audience, whether print media, video, or any number of other methods. UNDP was doing more evaluation of the various methodologies being used. These evaluations included research, surveys, in-depth interviews and discussions with donor countries on the results they had obtained with their communication tools in order to see what worked best in reaching different target audiences. The Division held a retreat twice a year to sharpen the information and advocacy programme.

297. In response to the view expressed by several delegations that a stronger and clearer profile of the organization was a valuable tool in mobilizing resources, the Director agreed. However, he said that having a strong profile did not automatically lead to more funding. He sensed that the world was moving away from a belief in multilateralism and there was only so much that UNDP could do on its own to change that.

298. In response to specific questions, the Director said that the example of a programme targeting mayors was an illustration of dealing with elected officials even at the remotest levels; many other examples could have been used. The Director agreed with the delegation that had said that UNDP needed to take a long-term approach but that did not mean that they should not use short-term methods for specific targets. He informed delegations that the results of the survey concerning Choices were available.

299. The Director said that the new Goodwill Ambassador, Danny Glover, was known as a spokesman on poverty eradication. In choosing such Ambassadors, the aim would be to choose personalities who could furnish powerful voices to articulate UNDP messages. The Director said that some publications were sold, the most notable being the Human Development Report.

300. On budgetary questions, the Director said he would return to that at a later time. It was a difficult exercise because not all of the organization's expenditures on communication activities were part of the Division of Public Affairs. But it was something that must be done.

301. The Assistant Administrator and Director of the Bureau of Resources and External Affairs concluded the discussion by thanking the delegations for their valuable feedback. From the discussion, he had extracted eleven action points that UNDP needed to take: intensify the culture of communication; project the work of UNDP within the context of the work of the United Nations; establish clear and focused objectives to raise the organization's visibility; develop clearer messages; streamline information materials; prioritize constituencies; intensify partnerships with programme countries; develop differentiated strategies for donor countries; evaluate the impact of existing materials; provide a more analytical report to the Executive Board; and communicate more effectively with the Executive Board.

302. The Executive Board adopted the following decision.

98/15. UNDP communication and information policy

The Executive Board

1. Takes note of document DP/1998/23, in which the Administrator outlines the advances made in the implementation of the UNDP communication, advocacy and information strategy;

2. Welcomes the progress that has taken place since 1995 in creating better visibility and awareness for UNDP and the United Nations system among various target audiences;

:

3. Encourages the Administrator to emphasize results in the UNDP communication policy as well as the linkage between communication and advocacy and resource mobilization;

4. Supports the efforts of the Administrator to promote and increase the visibility of UNDP in order to expand public awareness of the scope and effectiveness of the Programme and its contribution to the goals of sustainable human development, bearing in mind that communication strategies should be tailored to fit the different target audiences;

5. Invites the Administrator to make a presentation to the Executive Board at its first regular session 1999 that will outline, within the UNDP corporate communication and advocacy strategy, the key areas that will respond to current communication needs, bearing in mind decision 97/17 and comments made by delegations at the annual session 1998;

6. Requests the Administrator to present to the Executive Board at its annual session 1999 a plan of action to implement the key areas identified at the first regular session 1999, including its budgetary implications.

19 June 1998

XV. UNITED NATIONS OFFICE FOR PROJECT SERVICES

303. The Executive Director introduced the annual report (DP/1998/24 and the statistical annex DP/1998/24/Add.2) on the activities of the United Nations Office for Project Services (UNOPS) in 1997, as well as the report on follow-up to recommendations of the report of the Board of Auditors (DP/1998/25). He also distributed the unaudited financial statements for the year ended 1997 and released the English version of the recently completed 1997 Annual Report, noting that the report was also being made available on the UNOPS Internet site (www.unops.org).

304. With regard to document DP/1998/24, the Executive Director pointed out that the report was based on the 1997 UNOPS business plan provided to the Executive Board at its third regular session 1997. He underlined that in preparing the report, UNOPS had been mindful of the suggestions of the Board at the annual session 1997, in particular the recommendations to link the report with the qualitative objectives stated in the business plan. Citing the continued upward trend in the acquisition of new business and of client diversification, he reported another strong performance that was consistent with the self-financing principle. Referring to the UNOPS proposals regarding information systems, the Executive Director explained the project-oriented approach being taken by UNOPS to the integrated management information system and the year 2000 issues, and requested that the Board approve the UNOPS request for establishment of a post of Chief Information Officer at the D-1 level effective from 1 July 1998.

305. Several delegations commended the Executive Director for the quality of the documents he had submitted. One delegation additionally appreciated the inclusion of the section of document DP/1998/24 discussing the hurdles

encountered by UNOPS, noting that it helped to convey a full, realistic picture of the organization and the challenges that it faced.

306. Several delegations expressed the hope that UNOPS would continue to focus on improving its rostering systems with a view to broadening further the procurement of goods, services, and expertise from a wider range of sources, particularly from developing countries. In that context, two delegations underscored that a main priority of UNOPS should be to continue improving its own procurement system so as to strengthen such capacities in developing countries. One delegation identified specific areas in which it considered that it could offer competitive products and services.

307. The consolidation of human resources functions for project and administrative staff under a single management structure was welcomed by several delegations. Some delegations inquired about the ongoing UNOPS decentralization process and asked for further clarification on the gains UNOPS anticipated through decentralization. Several delegations noted with satisfaction the diversification that UNOPS was achieving in its clientele, and urged that the process be continued.

308. Several delegations supported the request for the establishment of the D-1 level post of Chief Information Officer, with one mentioning that its support was subject to the assurance that UNOPS would have sufficient income to cover the costs of the post. Another requested further information on whether the proposed Chief Information Officer post responded only to UNOPS needs, or whether it had a bearing on other United Nations agencies and organizations as well.

309. Several delegations requested further information about UNOPS demining activities and their relationship with demining activities of the Department of Peacekeeping Operations of the United Nations and of UNDP.

Response of the administration

310. The Executive Director thanked the delegations for their encouraging and supportive comments, making special note of UNOPS complete agreement with and commitment to the priority it attached to assisting and helping to build meaningful capacity in developing countries. In that regard, the Executive Board was informed of the activities that UNOPS was undertaking to improve its rostering systems, both on its own and in conjunction with common services initiatives of the United Nations system. The Executive Director also clarified that UNOPS procurement was already carried out in accordance with international competitive bidding practices, which were open to all countries. He encouraged delegations to inform interested parties within their respective countries of the frequent announcement of procurement opportunities on the UNOPS Internet site.

311. In response to queries on decentralization, the Executive Director outlined the basic principles of the UNOPS decentralization strategy: (a) improving service; (b) formation of integrated teams under a single management accountability structure; and (c) regular review of financial viability. He went on to note that, in conjunction with the consolidation of the management

functions for human resources, two senior staff members had recently moved from project to headquarters management assignments.

312. The Executive Director indicated that UNOPS demining activities were carried out on behalf of the Department of Peacekeeping Operations of the United Nations and of UNDP, with the UNOPS role being primarily operational in nature. He cited several examples of such collaboration and went on to mention that UNOPS was currently carrying out demining activities in 13 different countries.

313. With regard to the inquiries on the Chief Information Officer post, the Executive Director clarified that all UNOPS posts, including the proposed Chief Information Officer post, were established subject to the principle that sufficient income would be generated to cover the cost of the post. It was explained that the creation of the Chief Information Officer function was intended both to respond to UNOPS specific information management needs, but also was in keeping with similar practices being advocated by the ACC Information Systems Coordination Committee and that was being applied in other United Nations organizations.

314. The Executive Board adopted the following decision.

98/16. Activities of the United Nations Office for Project Services

The Executive Board

1. Takes note of the report of the Executive Director of the United Nations Office for Project Services (DP/1998/24 and DP/1998/24/Add.2*), further noting that UNOPS continues to operate successfully in accordance with the self-financing principle;

2. Requests the Management Coordination Committee to assist and guide the Executive Director of the United Nations Office for Project Services in finding appropriate responses to those areas identified in document DP/1998/24 in which UNOPS progress is slow or where unexpected difficulties are being encountered;

3. Approves the establishment of the post of Chief Information Officer at the D-1 level with effect from 1 July 1998.

12 June 1998

UNDP/UNFPA joint segment

XVI. INTERNAL OVERSIGHT

A. UNDP

UNDP report

315. In his introduction to the discussion of the report on internal audit and oversight activities (DP/1998/26), the Associate Administrator reported to the Executive Board on certain recent developments that had taken place in the area of internal oversight. These included the issuance of an accountability bulletin to all staff and of the selection of a number of units on a trial basis to take part in the control self-assessment system. There had been a number of regular meetings of the Management Review and Oversight Committee, including the participation of the Under-Secretary-General for Internal Oversight Services.

316. The Director of the Office of Audit and Performance Review (OAPR) said that he was encouraged by the change in the culture of accountability that had taken place over the last two years at UNDP. This manifested itself, for example, in the greatly increased demand for the services of his office. The training for new resident representatives included a session on accountability, and there was greater discussion within the organization of accountability issues. OAPR had followed a policy of trying to help all parts of the organization to understand what was acceptable and what was not rather than focusing solely on what had gone wrong. Along with three headquarters support units, the Regional Bureau for Asia and the Pacific would be the first operational bureau to volunteer to put the self-assessment system into effect. He reported that the investigation of the Reserve for Field Accommodation was ongoing but he believed that his office was reaching the beginning of the end of it. Because of the nature of some of the allegations, he was not at liberty to discuss any of the findings as yet.

317. Several delegations expressed the view that document DP/1998/26 dealt with the internal audit and oversight activities of UNDP fairly, pointing out strengths and weaknesses in the area. Delegations said that it demonstrated that an impressive balance of work had been accomplished. Several delegations also said that they were pleased that a culture of accountability was becoming more ingrained inside UNDP. One mentioned, however, that it would appear that, as a result, the staff of OAPR was being overworked. One delegation supported the recommendation contained in paragraph 51 of document DP/1998/26 that UNDP continue to strengthen its internal audit and oversight resources. Another delegation asked, however, where the resources for such strengthening would come from.

318. Several delegations raised the issue presented in paragraph 18 on the amount of time that resident representatives spent on activities relating to their roles as resident coordinators and to the suggestion that United Nations Volunteers (UNVs) be used to assist them in those functions. Some delegations said that while they recognized the burdens on resident representatives caused by the coordinating function, they thought it advisable to make use of national staffing before turning to UNVs. One delegation asked whether voluntary

contributions intended for UNDP were being spent on coordinating the work of other agencies.

319. Several delegations were concerned about the problems arising from the increased use of national execution modalities that were discussed in paragraphs 38-47 of document DP/1998/26. Delegations agreed that the increasing use of national execution was a positive trend while recognizing that it also presented certain challenges. One delegation said that the openness of UNDP dealing with the problems caused by increased national execution was commendable and asked that the organization make finding the solutions to those problems a priority. Another delegation wondered if the organization was not proceeding too quickly in increasing the use of national execution mechanisms. Similarly, one delegation expressed the view that the problem was long term and that more attention needed to be given to ascertaining the availability of local expertise before deciding to use national execution modalities. Another delegation asked for elaboration on the follow-up to address the problems that were mentioned in paragraph 43.

320. One delegation brought the attention of the Executive Board to paragraph 38, in which it was stated that Governments were required to submit audited financial reports for nationally executed projects and programmes, which were monitored by OAPR. The delegation said that the requirement was reasonable but emphasized that those audited reports must follow national auditing rules. It stated that if Governments were to have responsibility they must also have authority. In that regard, several delegations said that the concern expressed in paragraph 42 (f) - implementation of projects by autonomous institutions not in the programme country's chain of accountability - was one that UNDP needed to be conscious of. Again, they asked how could Governments be responsible if they had no authority over the civil society organizations involved. One delegation said that the problems mentioned in paragraph 42 (c), i.e., failure to familiarize all parties concerned with financial requirements, was the cause of many of the problems relating to national execution and needed to be addressed. It said that many of the same issues had been raised in the 1996 audit and wondered if progress had been made since then.

321. Several delegations mentioned that they supported the idea of joint audits with other organizations, such as UNICEF, in areas where it would be appropriate. Some of those delegations expressed the desire that the number of such joint audits be increased and suggested that that was something that UNDG could take up. One delegation said that joint audits should be carried out with other agencies as well.

322. Delegations had several specific questions relating to information contained in document DP/1998/26. It was stated in paragraph 26 that many tripartite reviews had not been held or had not been submitted in a timely fashion. Delegations asked about the scope of the problem and what was being done about it. One delegation asked about paragraph 21, in which it was stated that some government contributions towards the costs of maintaining UNDP country offices were outstanding. Again, what was the scope of the problem and how was it being addressed? What was being done about the low programme delivery rates mentioned in paragraph 25?

323. In regard to paragraph 19, one delegation noted the rise in non-core funding, which was a cause of concern, and expressed the view that the Administrator himself should sign all such agreements. Another delegation said that UNDP should draft a set of procedures for cost-sharing agreements. One delegation, seconded by another, asked for more details on the status of the investigation into the reserve for field accommodations. It also asked for further information on the relationship of UNDP, UNOPS and UNFPA with the Office of Internal Oversight Services (OIOS) of the United Nations Secretariat. Specifically, if there had been joint audits, investigations or inspections with OIOS, it asked that they be made available to the Executive Board. One delegation noted that there were several items in the report - such as the possession of more than the authorized number of vehicles in some countries - that would raise red flags among national parliamentarians and authorities.

Response of the UNDP administration

324. The Associate Administrator thanked the delegations for their expressions of support, saying that he believed that UNDP really was developing a true accountability culture within the organization. In addressing the question of the demands on the time of resident representatives, he said that it was an issue that needed to be looked at closely, including collectively with other United Nations agencies and organizations through UNDG. The suggestion that the Resident Coordinator make use of the services of UNVs had been made by OAPR and was not official UNDP policy. The Director of OAPR said that his office had made the suggestion as one way of finding a solution to a difficult situation in a time of scarce resources. Following suggestions made by members of the Executive Board, the Associate Administrator said that it might also be advisable to look into the possibility of making greater use of national staff to help with coordination responsibilities. In fact, that was already being tried in a few countries.

325. The Associate Administrator addressed the issues concerning national execution by saying that UNDP had formulated comprehensive guidelines on national execution. The findings of the audit would be taken into account in reviewing those guidelines. It was a situation that the organization would follow very closely. The Director of OAPR pointed out that national execution had to be looked at not just as an execution modality but also as an important capacity-building exercise. It might, he said, be expedient to hire international personnel to carry out projects, but that meant that when project funding ended and the personnel left, they would not be leaving any enhanced capacity behind. He said that it was not a problem that was subject to simple solutions and no doubt would be part of audit reports in the future as well. He did say that he thought that sometimes country offices did not do an adequate job of assessing capacity in national institutions and that the organization was trying to help them to make better assessments. He reported that the question of using national auditors and of carrying out national audits was an ongoing one and cited several problems. Sometimes the national executing partners did not inform national audit offices in advance of the requirement that they carry out an audit on completion of the project or programme and that necessarily caused delays in performing the audit. Beyond that, the resources of the national audit offices were already very stretched. Policy guidelines for carrying out national audits were being developed.

326. The Director of OAPR said that there was an excellent working relationship between the audit offices of all the United Nations agencies and organizations and that he had included several joint activities with other agencies in his audit plans, especially with UNICEF. At times audits had made use of joint staff from the two organizations, which had saved time and money. He also reported that his office worked very closely with OIOS - joint investigations were a growing area of joint activity. In reply to the request for more information on the investigation of the Reserve for Field Accommodations, he reported that fraud cases were not normally reported to the Executive Board for fear of jeopardizing the investigation. However, once that case had been completed, he would report to the Executive Board.

327. The Director said that less than 50 per cent of Governments were behind in their contributions for country office maintenance. OAPR was following up on the projects that needed to be financially terminated as well as on the cases where tripartite reviews had been missing or delayed.

328. The Associate Administrator said that the recommendations concerning the number of vehicles being used by each of the country offices would also be looked at closely following the results of the audit. In some cases, however, offices needed more vehicles because of emergency situations. He reported that in the case of co-financing agreements, Assistant Administrators were being delegated more authority but that that was being accompanied by greater accountability. He said that the compacts that all of the Assistant Administrators had signed with the Administrator should enhance accountability. The entire organization was moving in the direction of results-oriented accountability.

B. UNFPA

UNFPA report

329. The Deputy Executive Director (Policy and Administration) reported that UNFPA continued to benefit from an arrangement with OAPR concerning internal audit services: the UNFPA Internal Audit Section was based in OAPR while OAPR supervised internal audits carried out by public accounting firms in programme countries in Africa and in Asia and the Pacific. The Fund needed, however, to strengthen the coverage of internal audits, including establishing a contractual arrangement to cover Latin America and the Caribbean.

330. The Deputy Executive Director said that with the establishment of the Office of Oversight and Evaluation (OOE), the Fund had a clearer institutional arrangement for monitoring the implementation of audit plans and of audit findings. He reported that the core sections of the new Policies and Procedures Manual had been issued in November 1997. The new Finance Manual, to be issued in the near future, emphasized the priority the Fund attached to the financial closure of projects in a timely fashion. That would also be aided by a new financial monitoring system, currently being field-tested, that included mechanisms to trigger action to close projects as well as to monitor cash advances and unspent balances more closely.

331. The Deputy Executive Director also reported that the system of policy application reviews, which had been put into place in 1995, had proven to be a cost-effective tool for facilitating organizational development. The OOE was establishing a data bank of the findings of those reviews. He concluded by saying that the Executive Director would continue to ensure probity and accountability as she promoted decentralization in the organization.

332. Delegations welcomed the efforts that had been made in decentralization but several noted that that needed to be accompanied by follow-up and monitoring. In that regard, some delegations noted that the new Policies and Procedures Manual, which was designed to foster decentralization, was not yet complete. They hoped that it would be completed quickly and wondered what was being done in the interim.

333. Several delegations wondered about the statistic presented in paragraph 18 of document DP/FPA/1998/7, which said that 2,000 projects were operationally completed but had not had their financial records closed. What percentage of the total projects did that represent and what actions was UNFPA taking to address the situation? One delegation noted that such a situation meant that unspent funds from a completed project could not be allocated to a new project, thereby slowing down implementation.

334. Delegations also noted that the Fund was using two sets of procedures, those of UNDP and of UNFPA. They wondered whether the practice created confusion and how it was handled. One delegation felt that that indicated a very cumbersome administrative structure. Another delegation asked for clarification of paragraph 17, where it was noted that UNDP procedures were followed in the absence of specific UNFPA procedures and that there had been at times a lack of clarity on which procedures to follow in a given situation.

335. One delegation noted that in regard to country programmes, it was difficult to carry out evaluations in the face of lack of indicators and clearly stated objectives. The same delegation drew attention to paragraph 3 of document DP/FPA/1998/7, in which it was stated that there was not adequate staff to provide audit coverage of all UNFPA units within the optimal cycle of five to seven years, and asked what was being done.

336. One delegation expressed concern about the lack of review by the Contract Review Committee for the procurement by some country offices of goods and services in excess of $70,000, as mentioned in paragraph 24 of document DP/FPA/1998/7. One delegation noted that, as stated in paragraph 38, in several cases projected multi-bilateral funding had not been forthcoming and it had been necessary to use regular resources instead. One delegation noted the problems concerning the Training Branch raised in paragraph 20 and trusted that they were being addressed by the Administration.

337. One delegation expressed the view that UNFPA should report annually to the Executive Board on audit and oversight issues and asked that that be put into the overview decision of the Executive Board. Other delegations supported the request.

Response of the UNFPA Administration

338. The Deputy Executive Director (Policy and Administration) addressed the issue of the new Policies and Procedures Manual. The new manual was essentially a revision of existing guidelines, mainly designed to reflect the decentralization process and the Programme of Action of the International Conference on Population and Development as well as to simplify and streamline procedures. Therefore, the fact that small parts of the new manual were not completed did not mean that the Fund had been operating in a vacuum - in such cases, the old procedures remained valid. Also, he clarified the use of UNDP policies and procedures: the Fund tried to use UNDP guidelines whenever applicable and tried to avoid duplicating them. Such coordination was in line with the Secretary-General's recent reform efforts and had worked very well. The Chief of OOE reported that the major portion of the Programme Manual had been issued in November 1997 and that it was the first time that all the guidelines had been incorporated into one comprehensive manual. In the case of the monitoring and evaluation procedures, the new revision was the third version of those guidelines.

339. The Chief informed the Executive Board that the approximately 2,000 completed projects that had not been financially closed had been reduced by 435 by the end of 1997. The question of what unspent balance was tied up in such projects had also been looked into by the external auditors. Data on the actual volume would be provided to the Board members after verification. As mentioned in the Deputy Executive Director's opening statement, the Fund was working on building mechanisms into projects and programmes mechanisms that facilitated closing them financially and in monitoring cash advances.

340. In addressing the question of unclear objectives, the Chief agreed that was sometimes the case, especially with those programmes that had been developed for some time. However, the Fund had now adopted the use of logical framework techniques and staff were currently being trained in the use of those techniques. That should result in a clearer statement of programme purposes, outcomes and indicators in the future.

341. The Chief agreed with delegations that the coverage of audits was not satisfactory, even with the use of outside consultants. UNFPA would explore with OAPR how best to increase coverage in the current biennium. The question would be addressed in the next biennial support budget, and she hoped that the Executive Board would support the measures that the Executive Director would propose.

342. The Chief agreed with what had been expressed by delegations and the Director of OAPR concerning the important role that national execution had to play in building national capacity. The Fund's new guidelines placed greater stress on capacity-building and the transfer of skills. However, she also agreed that there needed to be greater efforts in assessing national capacity, and UNFPA was working with its partners in UNDG on that.

343. The Executive Board took note of the reports on internal audit and oversight activities of UNDP, UNOPS and UNFPA, contained in documents DP/1998/26, DP/1998/24/Add.1 and DP/FPA/1998/7, and requested UNFPA to take

appropriate measures to enforce recommendations contained in its report and to report annually on progress made.

C. UNOPS

UNOPS report

344. The Executive Director explained that internal oversight within UNOPS comprised three elements: (a) ongoing internal management oversight; (b) external audit by the Board of Auditors; and (c) oversight services contracted from OAPR. The first two were addressed in documents submitted to the Executive Board under agenda item 15. The Executive Director reaffirmed that UNOPS attached great importance to internal oversight and indicated that the relationship between UNOPS and OAPR was a fruitful one, identifying not only specific actions required for individual projects but also providing a basis for identifying recurring issues that could be addressed through training or other preventive measures.

345. Several delegations expressed their satisfaction that UNOPS was reporting directly to the Executive Board on its oversight issues. One delegation noted that of 1,700 projects cited in the report by UNOPS, it was not clear how many were being reviewed through the internal oversight mechanisms. The same delegation expressed scepticism that some general trends could not be derived from the recommendations concerning specific projects and requested clarification on that issue from the Executive Director. Another delegation requested information on the investigations into two cases of fraud reported in paragraph 10 of document DP/1998/24/Add.1.

Response by the UNOPS administration

346. The Executive Director thanked the delegations for their constructive comments. Responding to the inquiry on the number of projects being reviewed, he indicated that between 30 and 40 had been reviewed during the audit period. Those projects with unusual characteristics, such as Montreal Protocol projects involving the refitting and conversion of chemical industries, or management services agreements under the Japanese Procurement Programme, were reviewed at the specific request of UNOPS. While most audits of UNOPS projects were carried out with the assistance of OAPR, some were also performed by national auditing agencies of the donor country or in collaboration with other bodies, such as OIOS.

347. In response to the concern that general trends were not emerging from the audit reviews of specific projects, the Executive Director recalled his introduction, in which he had explained the role of the UNOPS Policy and Contracts Division in coordinating all audit responses. That arrangement, he stated, would help UNOPS in the future to identify any trends that could be redressed through training or procedural improvements. He expressed confidence that UNOPS, still only three years old, would continue to improve in obtaining value from its audits.

348. Addressing the fraud cases cited by one delegation, the Executive Director stated that one case involved misuse of an imprest account and the other one concerned unauthorized telephone calls in a regional project. Both cases were under review, with one having been referred to the UNDP Legal Section of the Office of Human Resources. He indicated that all available disciplinary and/or legal measures would be pursued once the facts in both cases had been established by the investigating bodies.

349. The Executive Board took note of the reports on internal audit and oversight activities of UNDP, UNOPS and UNFPA contained in documents DP/1998/26, DP/1998/24/Add.1 and DP/FPA/1998/7 and requested UNFPA to take appropriate measures to enforce the recommendations contained in its report and to report annually on progress made.

XVII. OTHER MATTERS

UNAIDS

350. The Director of External Relations of the Joint United Nations Programme on HIV/AIDS (UNAIDS) briefed the Executive Board on the challenge that HIV/AIDS was posing to development worldwide. She reported that there was some good news - HIV infection rates had stabilized or declined in some countries with effective prevention campaigns; however, the bad news was that AIDS killed as many people in 1997 as did malaria and that in high-prevalence countries life expectancy at birth had dropped back to the levels of the 1960s. In many cases, the hard-won achievements of development were being wiped out by AIDS, with all sectors being affected. Critical action was needed in all countries in which UNAIDS operated through the resident coordinator system. She called on the Board to support the HIV/AIDS activities of UNDP at the global, regional and country levels. In spite of the work that was being done, she asked the Board to consider whether it was enough in light of the immensity of the problem.

351. Several delegations spoke of the importance of the work of UNAIDS and said that they fully supported the coordination efforts to combat HIV/AIDS that were being undertaken by United Nations agencies through UNAIDS. Several delegations commented on the HIV/AIDS theme groups operating in programme countries, many of them chaired by UNDP, and said that the theme groups were accomplishing much good work and deserved the cooperation of all the organizations involved. One delegation pointed out that HIV/AIDS was not just a threat to the health of millions of people worldwide but was also a major impediment to development. One delegation stated that it was quite clear that not enough was being done.

352. One delegation spoke of the imaginative ways in which UNAIDS was using the resources available to it. It mentioned the development of a training and development centre in Spain, which was being supported by a grant from a regional government.

353. One delegation, speaking also for another, said that it would have liked to have had a briefing on specific actions that UNDP was taking in the fight against HIV/AIDS. That included information provided to the Executive Board on what had been decided at the Programme Coordinating Board of UNAIDS, which had

met the previous month. It reported on the retreat of all the co-sponsoring organizations of UNAIDS, which had also taken place the previous month. The retreat was seen as a milestone in achieving the full commitment of all the co-sponsoring organizations to the concept of UNAIDS. The Programme Coordinating Board meeting in May had endorsed the outcome of the retreat. Other delegations also welcomed the results of the retreat, with one delegation saying that it would be impossible to exaggerate the benefits of the retreat.

354. One programme country reported on the devastation that HIV/AIDS was causing in the country, and thanked UNAIDS, UNDP and UNFPA and the donor community as a whole for the assistance they were providing to fight the epidemic.

355. In their replies, the Director of External Relations of UNAIDS and the Assistant Administrator and Director of the Bureau for Development Policy thanked the delegations for their support. The Assistant Administrator said that she would provide greater information on UNDP-specific interventions. She said that the issue of the Resident Coordinator providing greater support for the HIV/AIDS theme groups had been raised. She said that she did not understand where the figure of $1 million mentioned by one delegation had come from. She said that in 1997-2000 it was expected that UNDP would spend $174 million on HIV/AIDS-related interventions, including cost-sharing. That included such things as those relating to ethics, law and HIV and helping to develop national strategic programmes. She reported that UNDP supported 22 HIV/AIDS national programme officers, including 11 in Africa, in addition to those on the UNAIDS staff. Regional support programmes included workshops for UNDP staff and counterpart national staff.

356. The Executive Board took note of the oral report on UNAIDS.

Report on World Trade Organization initiatives for least developed countries

357. The Assistant Administrator and Director of the Bureau for Development Policy reported on the steps taken by UNDP along with the other co-sponsoring agencies of the initiative to implement the Integrated Framework for Technical Assistance for Trade and Trade-related Activities for the Least Developed Countries. In her statement, the Director noted that to date 39 needs assessments had been received by the Interagency Working Group and that integrated responses had been prepared for each of them. She explained that the integrated response was a step towards the preparation of a country-specific, multi-year programme for trade-related assistance. The programmes, she said, would comprise concrete projects and would be presented at a donor meeting, most likely at a Consultative Group or round-table meeting. Upon receiving the integrated response, some 14 countries had expressed an interest in preparing for such donor meetings.

358. The World Bank had already started work in Uganda, preparing a trade programme for presentation at the next Consultative Group meeting. UNDP was involved in similar ways and was currently preparing a programme for Chad, Gambia and Mali. The previous month, during the Ministerial Conference of the World Trade Organization (WTO), some delegations had requested the active involvement of WTO in those donor meetings. Such requests had come *inter alia*

from Angola, Mali and Nepal. UNDP had welcomed the proposal and an agreement was being finalized with WTO.

359. The Director said that in an organization as decentralized as UNDP, the responsibility of participating in the integrated framework lay largely with the country offices. Effective participation required the conviction on the part of country offices that trade was part of an array of strategies and policies that helped to achieve sustainable human development. UNDP headquarters would continue to provide policy guidance to country offices on the links between trade, investment and integration in the global economy.

360. The Director informed the Executive Board that the introduction of the Integrated Framework had significantly increased the demands on the six co-sponsoring agencies to help build capacity in trade and trade-related areas. Countries that joined WTO had several years to adjust their legal and procedural systems and related institutions to the requirements of the organization. It was an enormous task in view of the limited capacities of many developing countries and time was running short. Vigorous action was needed quickly to provide tailor-made assistance to developing countries so that they could build necessary systems and operationalize them.

361. The commitment of UNDP was recognized by several delegations, which underlined the two strategic areas where UNDP had a comparative advantage: capacity-building and facilitation and aid coordination through the round-table meetings. Donor meetings, either in Geneva or in-country, were an important tool for enhancing coordination and promoting greater synergy between the efforts of the concerned Governments and the donor community. Several delegations reiterated the importance of having trade and trade-related matters included in the agenda of the round-table meeting in Geneva, even if a sectoral consultation on trade was held in the country at a later date.

362. While recognizing the importance of trade in their development policies, several speakers from the developing countries pointed out the need for broad-based macro and sector policies, encompassing trade and investment, improvement of infrastructure, financing, human resource and private sector development. In other words, trade alone was not sufficient and should be part of different instruments and policies for promoting a sustainable development of the least developed countries (LDCs). Delegations from both donor and programme countries asserted the importance for LDCs to take the lead in identifying their needs, in particular for the preparation of donor meetings and support to organize them. That was seen to be a key element of the Integrated Framework.

363. The Director and colleagues from the co-sponsoring agencies of the Initiative, the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD) and WTO, present at the meeting noted the importance of ownership of the process for the LDCs and reiterated their common will to support countries that requested assistance for the preparation of a trade and trade-related multi-year programme. Up to that time, only 14 countries had introduced such requests. UNDP stood ready to respond favourably to any requests it received.

364. The Director also insisted on the notion of partnership between the co-sponsoring agencies, as well as between the agencies and the Governments and civil society of the LDCs, and on joint programming. This point was further substantiated by UNCTAD and WTO, both providing concrete examples of joint programming and coordination. The WTO representative confirmed the interest of her organization to participating jointly with UNDP in the preparation and organization of sectoral round-table meetings for the countries having introduced such a request.

365. The need for a longer-term vision, strategic commitment and interrelated sectoral policies where trade was part of a broader framework was agreed upon. In that regard, the Third United Nations Conference on LDCs to be held in 2001 should provide such a holistic framework. UNDP and UNCTAD were committed in working closely together in organizing the Conference. Several delegations also supported the view that developing capacity for trade and enhancing capacities of developing countries to participate effectively in the world economy was a general problem that warranted a vigorous and broad-based capacity-building programme opened to all developing countries, not only to LDCs.

366. In response to the interest of several delegations on reporting issues, the ITC representative further elaborated on the activities to be carried out by the Administrative Unit. Besides the database on trade that will be established by the Unit, a system was being developed to track the evolution of different types of indicators, such as performance, impact and process indicators. Benchmark data would also be collected in order to monitor the impact of the programme.

367. The Executive Board took note of the oral report on World Trade Organization initiatives for least developed countries.

Montserrat

368. The Assistant Administrator and Director of the Regional Bureau for Latin America and the Caribbean presented a request on behalf of the Government of Montserrat for the Executive Board to review the net contributor country (NCC) status of Montserrat. Briefing the Board on the current situation, he informed members that because of the catastrophic nature of the volcanic eruptions that had occurred in the past few years, economic output had practically ceased. Precise figures for national per capita income figures were not available but the latest government statistics had shown a decline in gross domestic product of approximately 58 per cent since 1994. There had also been considerable displacement of the population. The Board was informed that as a result of the state of virtual economic and social collapse, the request for reconsideration of the NCC status would have to be taken up when the country cooperation framework for Montserrat was presented for consideration at the first regular session.

Closing remarks by the President

369. At the closure of the session on Friday, 19 June 1998, the President thanked the delegations and the secretariat for a constructive and productive annual session and listed the important decisions that had been taken in respect of UNDP, UNFPA and UNOPS.

370. The Executive Board concluded its work by adopting the following decision.

98/17. Overview of decisions adopted by the Executive Board at its annual session 1998

(Geneva, 8-19 June 1998)

The Executive Board

Recalls that during the annual session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its annual session 1998 (DP/1998/L.3; DP/1998/L.3* (Spanish only) and DP/1998/L.3/Corr.1) as orally amended;

Agreed to the following schedule of future sessions of the Executive Board in 1998 and 1999 subject to the approval of the Committee on Conferences:

Third regular session 1998: 14-18 September 1998
First regular session 1999: 25-29 January 1999
Second regular session 1999: 5-9 April 1999
Annual session 1999: 14-25 June 1999 (New York)
Third regular session 1999: 13-17 September 1999

Agreed to the subjects to be discussed at the third regular session 1998 of the Board, as listed in the annexed work plan;

UNFPA SEGMENT

ITEM 2: REPORT OF THE EXECUTIVE DIRECTOR FOR 1997

Took note of the report of the Executive Director for 1997 on programme priorities, programme effectiveness, statistical overview and regional overview (DP/FPA/1998/3 (Part I), (Part I/Add.1), (Part II) and (Part III));

Requested the Executive Director to submit to the Executive Board at its third regular session 1998 a conference room paper on sector-wide approaches;

ITEM 3: ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION

Adopted decision 98/10 of 12 June 1998 on absorptive capacity;

ITEM 4: WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY

Adopted decision 98/11 of 12 June 1998 on the UNFPA work plan for 1999-2002 and programme expenditure authority;

Took note of the report on the status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1998/8);

ITEM 5: PERIODIC REPORT ON EVALUATION

Adopted decision 98/12 of 12 June 1998 on UNFPA evaluation;

ITEM 6: INFORMATION AND COMMUNICATION STRATEGY

Took note of the oral report on the UNFPA information and communication strategy;

ITEM 7: RESOURCE MOBILIZATION STRATEGY

Took note of the conference room paper containing an update of the UNFPA financial situation (DP/FPA/1998/CRP.3), and the comments made thereon;

UNDP SEGMENT

ITEM 8: ANNUAL REPORT OF THE ADMINISTRATOR

Took note of the report of the Administrator for 1997, including the introduction to the report, main programme record, global and interregional programmes, other funds and programmes, Programme of Assistance to the Palestinian People, United Nations System-wide Special Initiative for Africa, reports of the Joint Inspection Unit and statistical annex (DP/1998/17/Add.1-7 and DP/1998/17/Add.1 (Part III)/Corr.1), with comments made thereon;

Took note of the report on follow-up to decision 97/16 on change management, including the interim report on the subregional resource facilities (DP/1998/CRP.8);

Took note of the UNDP strategic plan 1998 (DP/1998/CRP.9);

ITEM 9: FOLLOW-UP TO THE UNITED NATIONS REFORM

Took note of the oral report on the UNDP role in the follow-up to United Nations reform;

Took note of the report on Emergency Relief Coordinator: Transfer of responsibilities to the United Nations Development Programme (DP/1998/18);

ITEM 10: EVALUATION

Took note of the report on UNDP evaluation activities (DP/1998/19);

ITEM 11: UNITED NATIONS VOLUNTEERS

Adopted decision 98/13 of 19 June 1998 on the United Nations Volunteers programme;

ITEM 12: RESOURCE MOBILIZATION

Took note of the oral report of the President on the work of the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy;

Took note of the report on the round-table mechanism (DP/1998/CRP.2);

ITEM 13: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Adopted decision 98/14 of 19 June 1998 on assistance to Myanmar;

Took note of the report on the implementation of the human rights component of the first country cooperation framework for Belarus (DP/1998/22);

ITEM 14: COMMUNICATION AND INFORMATION POLICY

Adopted decision 98/15 of 19 June 1998 on the UNDP communication and information policy;

ITEM 15: UNITED NATIONS OFFICE FOR PROJECT SERVICES

Adopted decision 98/16 on the activities of the United Nations Office for Project Services;

Took note of the report on follow-up to recommendations of the Board of Auditors (DP/1998/25);

ITEM 16: INTERNAL OVERSIGHT

Took note of the reports on internal audit and oversight activities of the United Nations Development Programme, the United Nations Office for Project Services and the United Nations Population Fund, contained in documents DP/1998/26, DP/1998/24/Add.1 and DP/FPA/1998/7, and requested the United Nations Population Fund to take appropriate measures to enforce the recommendations contained in its report and to report annually on progress made;

ITEM 17: OTHER MATTERS

Took note of the oral report on the activities of the Joint United Nations Programme on HIV/AIDS (UNAIDS) in 1997;

Took note of the oral report on World Trade Organization initiatives for least developed countries;

Took note of the oral report on the UNDP programme in Montserrat.

19 June 1998

Annex

Third regular session 1998 (14-18 September 1998)

(5 working days*)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.4)	A	1 day	Provisional agenda, annotations, list of documents
	Official	A		Report on the second regular session 1998
	Official	A		Report on the annual session 1998
	Official	I		Decisions adopted by the Executive Board at the annual session 1998
	CRP	I		Outline for Executive Board work plan 1999
				UNDP SEGMENT
2	Oral	I		UNDP 2001 : Progress report
3				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I/A		Annual review of the financial situation 1997 (including a report on the implementation of the budget for the biennium 1998-1999)
	Official	I		Risk management
	Official	I		Activities of the Inter-Agency Procurement Services Office (including procurement from developing countries)
	Official	I		Subcontracts awarded and major equipment ordered
	Official	I		Review and revision of UNDP Financial Regulations and Rules
	Official	I		United Nations system technical cooperation expenditures 1997

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1 day	Review of the successor programming arrangements
	Oral	I		Report on implementation of the first country cooperation framework for Nigeria (97/25)
5				UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A	½ day	Revised budget estimates for the biennium 1998-1999 (including risk management, reserves and surplus income)
6	Oral	I		UNIFEM (97/18)
7				RESOURCE MOBILIZATION
	CRP	A	½ day	Report of the Open-ended, Ad Hoc Working Group on UNDP Funding Strategy
				UNFPA SEGMENT
8	Oral	A	½ day	RESOURCE MOBILIZATION
9				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	1½ days	Annual financial review, 1997
	Official	A		Revision of financial regulations
	Official	I		Multi-bilateral and trust fund arrangements (97/26)
10				SOUTH-SOUTH COOPERATION
	Official	A		Partners in Population and Development (96/9)
11	Official	A		COUNTRY PROGRAMMES AND RELATED MATTERS
12				COORDINATING COMMITTEE ON HEALTH
	Official	I		Report on first meeting of the Coordinating Committee on Health
13	CRP	I		SECTOR-WIDE APPROACHES
14				OTHER MATTERS, including:
	CRP	I		- Field visits

Abbreviations: A = action; CRP = conference room paper; I = information; and UNOPS = United Nations Office for Project Services.

Part four

THIRD REGULAR SESSION

Held at United Nations Headquarters from
14 to 16 and 21-22 September 1998

I. ORGANIZATIONAL MATTERS

1. The Secretary of the Executive Board informed delegations that, following a decision of the Bureau, the third regular session 1998 was being held on 14-16 September and 21-22 September in order to allow delegations to take part in the high-level dialogue of the General Assembly on the theme of the social and economic impact of globalization and interdependence and their policy implications, which had been scheduled for 17-18 September.

2. The Executive Board approved the agenda and work plan for the third regular session 1998 as contained in document DP/1998/L.4 and Corr.1 and as orally amended by the Secretary. Given the lack of time for an adequate discussion, the Board decided to postpone consideration of the reports of the 1998 field visits (to Bangladesh, Tunisia and Lebanon, and South Africa (item 14)) to the first regular session 1999. One delegation requested that the consideration of the reports of the field visits be covered under a separate agenda item, underscoring the importance that the Board attached to a full discussion of such reports. The Secretary informed the Board that in the report on the field visit to South Africa (DP/1998/CRP.15) Pakistan should be added to the list of participating countries. The Board also decided to postpone consideration of agenda item 13 on UNFPA and sector-wide approaches to the second regular session 1999.

3. The Executive Board agreed to the following schedule of sessions in 1999, subject to the approval of the Committee on Conferences:

First regular session 1999:	25-29 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1999:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

4. One delegation noted the importance of maintaining the dates as adopted, pointing out the difficulties that had been caused by the rescheduling of the third regular session 1998. Another delegation expressed the hope that in order to avoid difficulties for several delegations, future meetings of the Executive Board would not take place at the time of the General Debate in the General Assembly. The Board agreed to the subjects to be discussed at the first regular session 1999. The Secretary pointed out that at the request of the Board, the tentative work plan for the first regular session 1999 allowed for a one-half day joint meeting with the United Nations Children's Fund (UNICEF) Executive Board. The final determination of when to hold such a meeting and its agenda would have to be decided by a joint meeting of the Bureaux of the UNDP/UNFPA and UNICEF Executive Boards. As requested in the discussion, the Executive Board of the World Food Programme would be invited through its Bureau to participate in the joint meeting.

5. The Executive Board took note, without comment, of the proposed annual work plan for 1999 (DP/1998/CRP.10), subject to a final decision to be taken at the first regular session 1999.

UNDP segment

Introductory statement by the administrator

6. In his opening statement to the Executive Board, the Administrator announced that he would be leaving UNDP effective 30 June 1999. He said, however, that much remained to be done before the end of his term and that his goal would be to accomplish as much as possible during that period. In that regard, he spoke of the ongoing reform process, the need to put funding on a more secure and predictable basis and the need to demonstrate better the impact of UNDP programmes. He emphasized that his goal at UNDP would be to continue to work on forging a world alliance against poverty.

7. In briefing the Executive Board on recent developments, the Administrator concentrated on four major themes. In the area of sharpening the profile of UNDP, he reported on the benefits being reaped by the selection of two Goodwill Ambassadors for UNDP and the production of new promotional materials. In terms of partnerships, he reported on discussions with the World Bank and with bilateral donors. In the area of results, he mentioned the testing of a methodology for measuring results in the areas of poverty and governance for poverty eradication in 10 programme countries. In terms of improvement of organizational capacity, he mentioned staff development, the continuing United Nations reforms and the revision of the job description of Resident Coordinator. He also reported that the assessment of the pilot phase of the United Nations Development Assistance Framework (UNDAF) was nearing completion and that a briefing would be made to the Second Committee of the General Assembly in October.

8. The Administrator announced that the first report on overcoming human poverty would be issued in October and that it would highlight country experience in the eradication of poverty and the role that UNDP could play. The recently released Human Development Report 1998 had shown that inequalities in the distribution of world income had increased: 20 per cent of people in the richest countries accounted for 86 per cent of total private consumption expenditures in the world while the poorest 20 per cent accounted for only 1.3 per cent. He mentioned some of the work that UNDP was doing to ameliorate that situation.

9. The Administrator then emphasized, however, that if UNDP was to carry out the above-mentioned work, it needed the requisite financial resources. As background to the discussion later in the session on funding strategies for UNDP, the Administrator reported that regular core resources for the organization continued to decline: about 90 per cent of the decline was due to the appreciation of the value of the dollar. He stressed the importance of putting UNDP funding on a sustainable basis.

10. In commenting on the Administrator's statement, numerous delegations expressed regret at his planned departure and appreciation for the work he had accomplished during his tenure. They wished him success in his new position. They also pledged to continue to work closely with him on outstanding issues during the remainder of his term. Several delegations reiterated the theme of the Administrator that if UNDP was to carry out its mandate, it needed increased

and predictable resources. Two delegations expressed the desire that the next Administrator be chosen from European Union countries, which together provided the largest amount of funding for the organization.

11. One delegation mentioned the Administrator's commitment to fostering South-South cooperation and expressed its appreciation for those efforts. Another recalled the Administrator's great interest in Africa and his work to alleviate poverty there. A delegation from eastern Europe expressed its appreciation for the work that UNDP had done in helping countries with economies in transition to meet the challenges they faced. It hoped that the organization would not find it necessary to decrease its financial support for activities in that region. Another delegation commended the Administrator for his efforts to establish and strengthen the resident coordinator system; it wished to see those efforts continue.

12. In thanking delegations for their support, the Administrator concluded by saying that the greatest challenge for his successor would be to galvanize resources for the organization at a critical moment in its history.

II. FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Annual review of the financial situation, 1997

13. The Assistant Administrator and Director, Bureau for Financial and Administrative Services, introduced the reports of the Administrator on the annual review of the financial situation, 1997 (DP/1998/29 and Corr.1), detailed information relating to the 1997 annual review of the financial situation (DP/1998/29/Add.1) and the report of the Administrator on information on United Nations system technical cooperation expenditure, 1997 (DP/1998/33) and its addendum on information on United Nations system regular and extrabudgetary technical cooperation expenditures financed from sources other than UNDP, 1997 (DP/1998/33/Add.1).

14. Many speakers commented on the clarity of the improved, harmonized format and the quality of presentation of information in the annual review of the financial situation for 1997. One delegation recommended that other funds and programmes should follow that format as well. Of primary concern to most delegations was the decline in voluntary contributions and the forecast reduction of the balance of regular resources to zero even though that was in keeping with the wishes of the Executive Board. Queries were raised about the level of the regular resource expenditures forecast in the biennial support budget, which did not change with the forecast reduction in income and programme expenditures. One delegation pointed out administrative expenditures and support costs were likely to remain more or less the same over the next two years in that they had already been approved in the biennial budget. Since, however, the amount of programmable resources available to UNDP would most likely decrease over that same period, the share of resources utilized by UNDP for administrative costs was bound to increase, perhaps even to levels above 30 per cent. The delegation stated that it could be a serious drawback in its fund-raising efforts for UNDP to have a considerably higher share of administrative costs than other United Nations development agencies.

15. One delegation stated that table 18 of document DP/1998/29 should be presented on the basis of core contributions, not as the addition of regular and other resources, because that presentation mixed different concepts. Several delegations welcomed the increase in programme delivery under the national execution modality. One delegation queried the flexibility of support costs that were paid to executing agencies, asking if different rates could be charged for different activities.

16. One delegation stated that it would hold its questions on the operational reserve until the first regular session 1999, based on the comments made by the Assistant Administrator, Bureau for Financial and Administrative Services, on the paper to be presented at that date. One delegation asked why the biennial support budget for trust funds had increased when income had decreased. Another delegation welcomed the increase in other resources and suggested that the distribution of target for resource assignment from the core (TRAC) resources should be reduced in countries that received a high level of other resources. One delegation stated that in its view, the implementation of some programmes would have to be lengthened as a result of the declining volume of general resources. The delegation cautioned against the reliance on a small number of donors and emphasized that UNDP needed a funding strategy for the future and that political will had to be mobilized to increase core funding.

17. The Assistant Administrator, Bureau for Financial and Administrative Services, and the Assistant Administrator and Director, Bureau for Planning and Resource Management, responded to the questions and comments raised. They noted that UNDP was planning to programme available resources only and not the operational reserve. On the question of general resources, it was stated that UNDP shared the concern of delegations about the administrative costs to programme ratio and was reviewing it on three fronts: programme volume, cost cuts and income. They also clarified that, in the short term, the biennial support budget had limited flexibility to contract against further downward adjustments in programme expenditures. Based on economies of scale, UNDP could fully absorb more programme funding, which would have an obvious effect on the ratio. Efficiency gains were expected from various activities being undertaken as part of the UNDP 2001 change management process, including greater automation, simplification and decentralization. The size of the country office network would also impact on costs.

18. The administration stated that in the past, a fixed percentage of extrabudgetary income from other resources was charged for support costs. Managers would now be encouraged to look at the actual cost of support projects, which varied in size and complexity. With regard to the issue that the level of the biennial support budget for trust fund expenditures for 1997 had shown an increase while income had decreased, it had to be understood that income was received ahead of activities that might need continued administrative support in future years. The administration took note of the comments on the presentation of the table on donor contributions and said that the data would be presented differently in the future.

19. The Executive Board noted the increase in programme expenditures, which in 1997 exceeded voluntary contributions, and also noted the continuing critical

shrinkage in the level of voluntary contributions to regular resources and the depletion of the balance of resources available for core activities.

20. The Executive Board took note of the reports of the Administrator on the annual review of the financial situation, 1997 (DP/1998/29) and detailed information relating to the 1997 annual review of the financial situation (DP/1998/29/Add.1), as well as the report of the Administrator on information on United Nations system technical cooperation expenditure, 1997 (DP/1998/33) and its addendum on information on United Nations system regular and extrabudgetary technical cooperation expenditures financed from sources other than UNDP, 1997 (DP/1998/33/Add.1).

Activities of the UNDP Inter-Agency Procurement Services Office and the Annual Statistical Report

21. The Assistant Administrator and Director, Bureau for Financial and Administrative Services introduced document DP/1998/30 on the activities of the UNDP Inter-Agency Procurement Services Office (IAPSO) together with document DP/1998/31 covering the procurement statistics of the United Nations System for the year 1997.The Assistant Administrator briefly addressed a number of specific activities undertaken by IAPSO in line with its basic mandates.

22. With regard to its role in coordinating the efforts of United Nations entities in developing common tools and practices for cost-effective and transparent procurement, the Assistant Administrator underscored the leadership and contributions of IAPSO in the development of the United Nations Common Supplier Database, in support of procurement reform. She also pointed out that the report noted that IAPSO had increased its support functions to UNDP country teams to strengthen the procurement capacity of the national execution units, notably through the provision of advice and training.

23. On the direct procurement services offered by IAPSO to the United Nations system as a whole and to the development community in general, in particular the Governments of UNDP programme countries, the Assistant Administrator indicated that those activities had grown significantly and that UNDP saw a continuing demand and growth potential for such services in the future. In that context, she also referred to the initiatives by IAPSO and other United Nations organizations to cooperate more closely with UNDP and its partners to ensure that clients' demands were met by calling on the entity best positioned to execute the procurement request.

24. The Assistant Administrator assured delegations that IAPSO was continuing its special efforts to facilitate access of vendors to the procurement system of the United Nations through organizing business seminars and by providing guidance and access to information on business opportunities. She addressed the issue that the procurement statistics published by IAPSO reported data based on the country where the purchase was made, not on the basis of the country of origin of the manufacturer, as was sometimes requested. She reported that IAPSO was not able at this point to obtain such information from United Nations agencies that had made the purchases. Finally, the Assistant Administrator drew the attention of the Executive Board to the fact that, in 1997, the share of

procurement from sources in developing countries remained at a high level of 67 per cent of all procurement funded by UNDP.

25. Several delegations expressed satisfaction with the report of the Administrator on the activities of IAPSO. One delegation emphasized its particular appreciation for the work of IAPSO in the area of procurement of goods with environmentally friendly specifications, and encouraged it to continue that effort. Another delegation welcomed and supported further growth of IAPSO procurement services in support of and in close cooperation with the Governments of UNDP programme countries. It also encouraged further efforts on the part of IAPSO to pursue joint procurement initiatives with other United Nations entities.

26. The Executive Board took note of the report on the activities of the Inter-Agency Procurement Services Office (DP/1998/30) and of the 1997 Annual Statistical Report (DP/1998/31).

Revisions to the UNDP Financial Regulations and Rules

27. The Assistant Administrator and Director, Bureau for Financial and Administrative Services, introduced both the strategy for a comprehensive revision to the UNDP Financial Regulations and Rules for completion in 1999, as well as proposed changes to financial regulations covering the biennial support budget, cost-sharing from non-governmental sources and procurement, which were contained in document DP/1998/32. The Assistant Administrator also addressed the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the proposed changes (DP/1998/37).

28. The proposed changes with respect to the biennial support budget were the consequence of the decisions by the Executive Board on the harmonized presentation of the budgets of the funds and programmes and primarily reflected changes to the terminology. The text of the procurement regulations was developed by the Working Group on Procurement established in the context of the Common Services Task Force by the United Nations Assistant Secretary-General for Central Support Services and was an integral part of the United Nations reform process. It was noted that the text had been submitted by UNFPA in an identical form (see document DP/FPA/1998/10) and that other funds and programmes were considering adoption of the text as well.

29. The Assistant Administrator addressed a policy matter raised by ACABQ in its report concerning the use of non-staff members for procurement. She recalled decision 95/29, whereby the Executive Board approved changes to regulations to allow the Administrator to delegate authority to non-staff members for the receipt, custody, obligation and disbursement of funds, based on the need for UNDP, on an exceptional basis, to use contracted staff at local level. She recalled how the Executive Board specifically welcomed the initiative as a positive step towards better utilization of national capacity in UNDP programmes and projects. It was further noted that procurement authority in such circumstances was for limited amounts and that there was no evidence to suggest that the fundamental principles governing procurement were being compromised. The policy matter had been raised at ACABQ in light of paragraph 21 of General Assembly resolution 52/226 of 27 April 1998 on

procurement reform and outsourcing. The Assistant Administrator assured the Executive Board that UNDP intended to conform with the request not to delegate procurement authority to gratis personnel. She expressed her hope that the Executive Board would endorse, as a matter of policy, the continued use of delegation of authority to non-staff members in relevant situations, approving the proposed regulations as submitted. Delegations made no further comments.

30. The Executive Board adopted the following decision:

98/18. UNDP: Revisions to the Financial Regulations and Rules

The Executive Board

1. Notes the proposed revised structure for the UNDP Financial Regulations and Rules contained in annex I of document DP/1998/32;

2. Approves the proposed revisions to the current version of the UNDP Financial Regulations and Rules (UNDP/FIN REG & RULES/Rev.1 and Rev.2) contained in annex II, sections A, B and C of document DP/1998/32.

22 September 1998

31. The Executive Board took note of the report of the Advisory Committee on Administrative and Budgetary Questions and on the revisions to the UNDP Financial Regulations and Rules (DP/1998/37).

III. COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Successor programming arrangements

32. The Administrator introduced document DP/1998/34 on the review of the UNDP successor programming arrangements. He stated that the review provided an opportunity to assess achievements after some 20 months of full operation and to identify where UNDP programming procedures required further revamping.

33. As reflected in the review, he confirmed that the basic principles of Executive Board landmark decision 95/23 were being reflected in UNDP programming: greater decentralization; streamlined programming procedures; simplified planning instruments; and a shift to a three-year, rolling resource planning framework. The challenge of implementing the TRAC system to reward high-quality, focused programming for sustainable human development had required UNDP to make many far-reaching changes in its operations while at the same time taking into account the special needs of low-income and least developed countries as well as countries requiring additional capacity-building. With the transition complete, further steps were under way to achieve greater programme focus, simplify programming and resource assignment procedures, decentralize and harmonize procedures with other agencies, and apply the guiding principles in implementation.

34. Moving to the financial framework, the Administrator noted that while non-core resources had increased, the target for core resources established in decision 95/23 had unfortunately not been met. Given the consequent adjustments in programming levels, he emphasized that, for continuous and smooth resource planning, UNDP would need to proceed with the already delayed roll-over of the planning period into the year 2001. Taking into account the deliberations of the Open-Ended, Ad Hoc Working Group on the Funding Strategy for UNDP, the Board was being asked to consider an extension of the financial framework of decision 95/23 to cover the years 2000 and 2001, including the provisions of paragraph 25 of decision 95/23, which aimed to safeguard the organization's financial integrity. Such an extension would also apply to the earmarkings for individual programme lines, and possibly include a streamlining of the support cost earmarkings, as recommended in the review document.

35. He noted that in extending decision 95/23, the Executive Board could also consider the TRAC 1 distribution methodology to be applied, including the possible introduction of 1997 gross national product (GNP) data; discussion of the latter also could be deferred to the first regular session 1999. As proposed in paragraph 88 of the review document, the Board might also wish to include in the distribution calculations "other resources" for countries in Europe and the Commonwealth of Independent States, as well as the transfers to TRAC resources that would result from the recommended streamlining of the support cost earmarkings.

36. The Administrator closed his introductory comments by reiterating the strong belief of UNDP in the principle of graduation and reconfirming the very important contribution of net contributor countries (NCCs) to the work of UNDP and the operational activities of the United Nations system. He indicated that a more in-depth discussion of NCC issues could take place at the first regular session 1999.

37. Delegations commented favourably on the comprehensive nature of the document, noting that a number of the complex issues that had been raised would require further discussion by the Executive Board, including at its first regular session 1999.

38. Enhancements made to the overall quality, focus, decentralization and effectiveness of UNDP programmes through the TRAC system were commended. A number of countries cited the important contributions UNDP was making to the advancement of sustainable human development, follow-up on global conferences and conventions, and technical cooperation among developing countries, as well as to a range of critical reforms, especially in countries in transition.

39. A number of speakers acknowledged the burdensome nature of the TRAC programming procedures and documentation requirements, with one speaker noting that the efforts were often not commensurate with the level of resources available. Delegations urged further streamlining of programming requirements and increased decentralization. Clear proposals on how the flexibility of the current TRAC system could be enhanced were requested for review during the first regular session 1999.

40. With regard to streamlining and simplifying the programming process, one speaker suggested that UNDP should encourage greater use of the common country assessment, which could lead to the elimination of the UNDP advisory note. Several speakers raised the need to take into account United Nations system reforms and to make more explicit the relationship between United Nations Development Assistance Frameworks (UNDAFs) and country cooperation frameworks (CCFs), and the implications thereof for the role of resident coordinators.

41. Several speakers requested additional information on the implications of the move from an ex ante to an ex post system of review. In that regard, one speaker requested that a briefing be scheduled at the first regular session 1999 on the proposed ex post system, as well as on the performance indicators and impact assessment that would support the system.

42. The planned evaluation of TRAC 3 was welcomed, as was its role in leveraging complementary resources. While acknowledging that it was still too early to evaluate the regional cooperation frameworks, one speaker requested a brief report on the current status of regional activities.

43. Many delegations noted that the implementation of the arrangements, especially the TRAC system, had been compromised by the serious shortfall in resources, which had caused the Administrator to extend the funds intended for the first three-year rolling resource planning period to cover a fourth year. Problems experienced by resident representatives and Governments in adjusting CCFs in line with the shortfall were cited by some speakers, who emphasized that programme countries must be able to plan on the basis of realistic targets.

44. Many delegations strongly urged a renewed commitment to achieving the established core resource target, with one speaker noting that since the 1998-1999 support budget had already been covered, all new contributions for the period could flow to programmes. Another speaker emphasized that core funds must remain the bedrock of UNDP if the impartiality, neutrality and universality of the organization were to be maintained. One delegation pointed out that the shortfall in core funds and the rise in non-core contributions suggested a basic structural change, with implications that ought to be explored further.

45. Many delegations concurred with the proposed interim extension of the financial framework of Executive Board decision 95/23 until further discussions could be conducted on the more complex issues raised in the review, including the planning figure and the relation of the framework to the biennial support budget. A number of speakers voiced their concern that the biennial support budget clearly differentiate between programme and administrative costs and be as transparent as possible.

46. Many speakers agreed with the proposed simplification of the support cost elements proposed as part of the extension although some requested additional clarification of the background and implications of the changes.

47. Considerable discussion took place on the TRAC 1 resource distribution methodology, with the general consensus being that the Executive Board would examine the issues involved in more detail at its first regular session 1999,

underlining the overall principle of concentrating resources in the poorest countries.

48. While many delegations agreed that it would be logical to update GNP data, they stated that they would need to review more detailed analyses of the implications of using 1997 figures, especially as some countries might shift categories. Speakers also endorsed the incorporation of "other resources" in the TRAC 1 calculations for countries in Europe and the Commonwealth of Independent States, as described in paragraph 88 of the review document, with one delegation requesting clarification on how that would apply.

49. Delegations that spoke about NCCs welcomed the possibility of a comprehensive discussion of the subject by the Executive Board at its first regular session 1999, and indicated that the Board would provide guidance on the additional analyses required on such issues as graduation, thresholds, administrative costs (including those at headquarters), and the possibility of managing NCCs as a separate category. One delegation urged innovative thinking about incentives to make graduation an attractive option.

50. The Administrator expressed appreciation for the positive references to the role of UNDP in programme countries and for the diversity of views provided on a range of important issues. He confirmed that additional information would be provided on the effect of using 1997 GNP data, NCC issues, and any other matters, in line with guidance provided by the Executive Board. He also confirmed the importance of continuing to examine the non-core situation and suggested that that be done in the context of the reporting requested under decision 98/2 on non-core resources.

51. The Administrator stated that he was also grateful for the many constructive comments and support expressed concerning an interim extension of decision 95/23. He emphasized that the concerns of the countries in Europe and the Commonwealth of Independent States had been duly noted and indicated that UNDP would work with the Board to arrive at appropriate solutions that would be fair to all regions.

52. The Assistant Administrator and Director, Bureau for Planning and Resource Management, clarified that the alternative format for the financial framework contained in the review document should be considered as withdrawn, as it had been overtaken by the deliberations of the Open-Ended, Ad Hoc Working Group on the Funding Strategy for UNDP. It was also clarified that the proposal concerning support cost line 1.6 did not involve changes to either the arrangements for national execution or the reimbursement of administrative and operational services. In addition, the proposed change to support cost lines 2.2 and 2.3 was not an elimination, but rather a merger that would provide greater flexibility in the application of those funds, in line with the principles of decentralization. He then offered to provide individual explanations to delegations on some of the more technical queries raised in the discussion.

53. With regard to an ex post system of review, the Director, Operations Support Group (OSG), explained that programme performance indicators for two of the sustainable human development focus areas, namely, poverty and governance,

were currently being pilot-tested in 11 programme countries and would be further refined through a major workshop of the Development Assistance Committee of the Organisation for Economic Cooperation and Development, which UNDP would be hosting in October 1998. It was acknowledged that, even with the implementation of an ex post system, there would still be a need to develop and use indicators in ex ante reviews of country cooperation frameworks (CCFs) and other programme documentation.

54. With regard to the impact of the UNDAF on UNDP programming processes, she explained that the recently completed assessment of the pilot phase would be the subject of a major workshop, scheduled to be held later in September 1998. Once that had taken place, it would be easier to determine what type of adjustments should be made to UNDP programming instruments, particularly CCFs.

55. With regard to the request for information on the current status of regional cooperation frameworks, the Director, OSG, explained that those programmes were slated to be evaluated in mid-2000, and the findings would be presented to the Executive Board at its first regular session 2001.

56. The Executive Board adopted the following decision:

98/19. Successor programming arrangements

The Executive Board

1. Takes note of the review of the successor programming arrangements contained in document DP/1998/34, the improvements made in the programming processes and further streamlining planned, as well as the adjustments to authorized programming levels made in accordance with paragraph 25 of decision 95/23, as described in paragraphs 28-31 of document DP/1998/34;

2. Recognizes that the outcomes of the Open-Ended, Ad Hoc Working Group on the Funding Strategy for UNDP, as adopted in decision 98/23, will have implications for the financial parameters of the programming arrangements;

3. Decides to apply the various financial planning parameters of decision 95/23 for the years 2000-2001, including the provisions of paragraph 25, and requests the Administrator to proceed with programme planning and implementation on this basis;

4. Endorses the proposed extension of the percentage earmarkings for programme resources set out in decision 95/23, with the following modifications, as described in paragraphs 76-83 of document DP/1998/34:

(a) From 2001 onwards, the separate percentage earmarking for implementation services shown under line 1.6 will be transferred in its entirety to the earmarkings for target for resource assignments from the core lines 1.1.1 and 1.1.2 (TRAC 1 and 2), with the reimbursement of administrative and operational services to continue as a negotiated arrangement with eligible United Nations entities, and as a reporting mechanism;

(b) From 2001 onwards, the separate percentage earmarkings for support for policy and programme development and for support for technical services shown respectively under lines 2.2 and 2.3 will be merged into a single earmarking under line 2.2, and adjusted in line with paragraph 80 of document DP/1998/34;

5. Reaffirms the basic methodology for the distribution of resources as described in paragraphs 21-26 of decision 95/23 as the basis for calculating TRAC 1 earmarkings for individual countries, as well as for overall TRAC allocations, with the following modifications from the year 2001:

(a) The financial and programming parameters set out in paragraphs 3 and 4 of the present decision;

(b) The inclusion of "other resources" as noted in paragraph 88, footnote 11 of document DP/1998/34;

6. Reaffirms the principles of net contributor country status and of graduation and welcomes the important role of net contributor countries in the programme;

7. Requests the Administrator to examine ways to improve the flexibility in the allocation of TRAC 2 resources and report the findings to the Executive Board at its first regular session 1999;

8. Requests the Administrator to provide the Executive Board at its first regular session 1999 with possible implications for programming arrangements resulting from the assessment of the pilot phase of the United Nations Development Assistance Framework;

9. Requests the Administrator to submit at the first regular session 1999 a detailed analysis of the implications of the various scenarios outlined in paragraphs 91-97 of document DP/1998/34, including: (a) the full cost implications for both Governments and UNDP of maintaining offices in net contributor countries, including the support provided by headquarters and (b) the implications for the resident coordinator system and for the additional services relating to United Nations system representation provided by UNDP offices in net contributor countries;

10. Requests the Administrator to provide the Executive Board at the first regular session 1999 with an analysis of the proposal made in paragraph 96 of document DP/1998/34 to take net contributor countries out of the TRAC calculation model and manage and monitor this category as a separate group of programme countries.

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Country cooperation frameworks and extensions

57. The Executive Board approved the first country cooperation frameworks for Burundi (DP/CCF/BDI/1), Equatorial Guinea (DP/CCF/EQG/1), Costa Rica (DP/CCF/COS/1), and Paraguay (DP/CCF/PAR/1). The Board also approved the extension of the first country cooperation framework for Bangladesh

(DP/CCF/BGD/1/EXTENSION I), the second extension of the third country programme for the Cayman Islands (DP/CP/CAY/3/EXTENSION II), and the extension of the fifth country programme for Ecuador (DP/CP/ECU/5/EXTENSION I).

58. While the secretariat had not received a formal request from members of the Executive Board for a separate discussion of any of the CCFs or extensions, the Vice President opened the floor for general comments or specific questions.

59. The delegation of Georgia expressed the respect and gratitude of its Government to UNDP and UNFPA for the invaluable support of those organizations in its country. The speaker observed that the institution of the resident coordinator system - its sophisticated and well-planned work and productive cooperation with Government - had contributed greatly to the stability of his country. The delegation supported the new strategy of cooperation by which UNDP functioned not only as a donor but worked in partnership with countries as well. UNDP had functioned as a genuine bridge of peace. Measures implemented under its programme had become linked to the region's plan for rehabilitation.

60. One delegation made several general observations about the CCFs. The speaker stressed a number of positive elements, such as the efforts made by UNDP and its partners to focus its work better on a limited number of priority sectors and the increasing importance given to civil society and the desire to bring it more into play in all phases of development. Nonetheless, the delegation wondered how, specifically, UNDP would attain that goal, especially given the unstable security situation characterizing a certain number of programme countries, including Burundi. The speaker also asked about the impact of the findings of national human development reports. It was difficult for his delegation to gain a real impression as to the extent to which the conclusions and recommendations issued by the Executive Board had been taken into account in elaborating the CCFs. The same applied to the application at the national level of action plans adopted at major national conferences, about which the CCFs said little. The delegation was aware that CCFs were general frameworks confined to spelling out major guidelines. The speaker noted that CCFs must be followed by programmes and projects relevant to the above-mentioned concerns.

61. Another delegation welcomed the first CCF for Burundi and noted past remarks in other meetings that had complimented the UNDP-supported programme there. The delegation also observed that the political difficulties that had occurred in the past in the country had presented the challenge of maintaining neutrality while continuing to implement programmes. The UNDP Resident Representative/United Nations Resident Coordinator had been able to bring the various United Nations agencies together and to mobilize them for effective action, particularly in the humanitarian field. UNDP was playing a lead role in Burundi, coordinating humanitarian activities and assistance with donors, the United Nations, other multilateral donors, non-governmental organizations (NGOs) and the Government.

62. The delegation of Burundi congratulated UNDP on the calibre of the documentation submitted to the Executive Board and on the important work it had carried out in its country. The delegation wished to express its Government's gratitude to UNDP for providing, over the past several years, assistance within Burundi and in dialogue across its borders to rebuild peace.

63. The Assistant Administrator and Director, Regional Bureau for Africa, thanked the delegations that had taken the floor to commend the work done by the UNDP Resident Representative/United Nations Resident Coordinator in Burundi. As for the way in which Executive Board decisions were implemented in the CCFs, the Programme Management Oversight Committee, which was chaired by the Associate Administrator, monitored how CCFs were addressing decisions adopted by the Executive Board. In that Committee, careful consideration was given to what was contained in CCFs and how the frameworks would meet decisions adopted by the Executive Board, especially those decisions that related to focus and the overall approach of UNDP.

64. The Associate Administrator further briefed the Executive Board on the process followed. The UNDP country office prepared an advisory note, in consultation with other United Nations agencies and programmes as well as bilateral donors and civil society. That advisory note was then reviewed at headquarters in the Programme Management Oversight Committee and sent back to the country office to be submitted to the Government of the programme country. The CCF was a Government-owned document, based upon the advisory note. If national human development reports existed, their findings, in terms of the country situation analysis and the priority areas where UNDP interventions would be most helpful and useful, were taken into account in the preparation of the advisory note. Conference follow-up was carried out not simply through the CCF; that process was now very much linked to the resident coordinator system. Resident coordinators were required to ensure coordinated follow-up to United Nations conferences, mainly through the setting up of thematic groups composed of the different United Nations entities present at the country level. While conference follow-up might not stand out clearly in the CCFs, it did not mean that it was not happening at the country level. The United Nations, through its different entities, was trying to support countries in their own efforts to meet the targets and objectives that they had agreed to within the context of these major conferences. The Associate Administrator added that UNDP would take note of the comments made on the subject and ensure that the UNDP contribution to coordinated follow-up of United Nations conferences would be taken into account during the reviews of CCFs.

Implementation of the first country cooperation framework for Nigeria

65. Pursuant to Executive Board decision 97/25 on the first country cooperation framework for Nigeria (DP/CCF/NIR/1), the Assistant Administrator and Director, Regional Bureau for Africa, provided an update on the implementation of the framework.

66. The Assistant Administrator noted that considerable progress had been made in implementing the CCF according to the modalities spelled out in Executive Board decision 97/25. As had been specified in the decision, the programme implementation process had been closely underpinned at local levels, through enhanced participation of NGOs and civil society. Working with civil society and community-based organizations had necessitated that UNDP also assist in building their capacity to perform as effective partners. Capacity-building had not been limited to NGOs and community-based organizations, but had also been a central aspect of support to the Government at the local level, aimed at strengthening its ability to work with civil society and community-based groups.

In order to promote effective ownership and broad participation in programme implementation, stakeholder boards had been established for all programmes. Monitoring and evaluation had also been an integral part of the programming process, and monitoring and evaluation units in the states had been strengthened. The evolving political situation in the country towards democracy and economic accountability should work to enhance the delivery rate, long-term sustainability and impact of UNDP-supported programmes. The new modalities that had been established at the local government level were estimated to be well received by members of civil society.

67. The delegation of the Government of Nigeria thanked the Assistant Administrator for her statement and observed with appreciation that the UNDP Resident Representative had supplied information for a candid and prompt assessment of the programme. The delegation stated that it understood the concern and interest that had led one year previously to the inclusion of the three-element provision contained in decision 97/25 on the Executive Board's approval of the CCF, which covered the period 1997-2001. The speaker wished to assure all friends of Nigeria that there could not be a better enabling environment for the peaceful and successful execution of the CCF than the recent political, social and economic programmes and activities initiated by the new administration in Nigeria. With 29 May 1999 scheduled for handover to a democratically elected civilian government, the new administration had involved the population in the formation of political parties under a truly independent electoral commission, which, beginning in December 1998, would conduct elections at all levels - federal, state and local or grass-roots legislative organs. In addition, his country had applied to the United Nations Secretariat for electoral assistance. The process would empower and benefit even the poorest sections of the population.

68. In the area of human rights, all political detainees had been released and pardons had been granted to some convicted persons, including a former Head of State. Charges against other detainees also had been withdrawn. The draft constitution presented by the national constitution conference held in 1995 had been published and assurance had been given that public comments and views would be encouraged and considered by the provisional ruling council prior to its promulgation. Self-exiled Nigerians had been called upon to return home and join in national efforts at democratization and economic renaissance. As part of efforts to enhance sustainable human resource development, a census had been proposed for Nigerian professionals and others with special talents that would help to inculcate and spread a spirit of transparency, accountability and probity in public life.

69. The delegation reported that the Government had been investigating the conduct of some of its departments regarding the disbursement and application of public funds with appreciable results. Some voluntary funds had been lodged in a special account in the central bank of Nigeria. Among the activities designed to fight poverty and enhance capacity-building among Nigerians was the increase in the salaries and allowances of public servants currently being implemented. Anticipated personal savings would generate funds for community development. In furtherance of the liberalization of the Nigerian economy and the promotion of efficiency in programme delivery, all laws inhibiting competition in all economic sectors had been slated for repeal. At the same time, partial

privatization had been scheduled for major public enterprises that had hitherto had a negative impact on the population's well-being and Nigeria's economic growth. In the same spirit, the oil companies in Nigeria had been urged to intensify their community interaction and development activities to improve the living conditions of the people, especially within their localities of operations. These were just some of the many current positive developments in Nigeria - positive programmes and activities that would undergird the delivery capacity of the civil society and the Government in the implementation of the CCF.

70. The Executive Board took note of the oral report on implementation of the first country cooperation for Nigeria (DP/CCF/NIR/1).

Assistance to the Democratic Republic of the Congo

71. The Assistant Administrator and Director, Regional Bureau for Africa, briefed the Executive Board on assistance to the Democratic Republic of the Congo, as called for in Executive Board decision 97/19. The country programme that had been authorized by the Executive Board had continued into 1997 on a case-by-case basis, concentrating on the thematic areas of poverty and governance. Support was provided for such activities as the development of a plan for macroeconomic reform, aid coordination, a national campaign against HIV/AIDS, rehabilitation of the public health sector, reintegration and resettlement of internally displaced persons, and rural agriculture development. The next phase of the UNDP programme had been planned to add the thematic areas of management of economic reform and the environment and would take measures to ensure still greater participation of civil society organizations.

72. The programme had recently encountered many constraints, owing to the political transition taking place in the country; however, there were many positive examples of work that had been carried out, including the relaunching of a major agricultural programme in 1997, addressing food security, rural employment creation through agro-industry, the reconstruction of rural feeder roads to transport crops and the rehabilitation of agricultural research institutes, and support for the preparation for the Friends of the Congo meeting with donors, held in Brussels, Belgium, in 1997. Support was also provided for 30 micro-projects on community development in northern and southern Kivu, focusing on income-generating activities and on the rehabilitation of social infrastructure. The programme, which had begun in January 1998, had obligated approximately $700,000 to date. Schools and health centres had been repaired and macro-projects had begun in agriculture. The work was being carried out in close cooperation with NGOs and United Nations specialized agencies. In addition, emergency rehabilitation work had been supported in northern Kivu, in cooperation with the development agencies of Belgium and the United States.

73. Following the Friends of the Congo meeting, UNDP had also been invited to take the lead in capacity-building, particularly for aid coordination and economic management. Such programmes had been under development through thematic groups when the current crisis interrupted their work. UNDP and other United Nations agencies had also been working together with the International Committee of the Red Cross to deliver food and non-food relief to those most in need. In addition, four technical commissions in the areas of health, food,

water and logistics and information had been established with the Government, the donor community, and international NGOs, to identify and meet needs arising from the crisis.

74. The UNDP office had made an important contribution to other pressing activities during the crisis, such as the formulation and implementation of the United Nations contingency plan, based on which international donors and United Nations agencies were currently providing essential relief. Similarly, UNDP had contributed towards the development of an action plan for the protection of minorities, again working closely with other United Nations agencies and the wider international community. The UNDP-funded humanitarian unit operated together with the Office for the Coordination of Humanitarian Affairs to play a key role in recent events, for instance in coordinating responses to shortages of essential goods. UNDP was committed to exercising exceptional flexibility for any rapid programming or reprogramming of resources for the Democratic Republic of the Congo made necessary by the current situation. While the reductions in senior staff numbers in the country because of the crisis caused programmes to be temporarily scaled back, the number of senior United Nations staff in Kinshasa was growing again and the new UNDP Resident Representative was in place. The country team needed to open a dialogue with the Government on priority needs, particularly for the victims of the crisis. UNDP had already made advance preparations to conduct a needs assessment exercise as soon as a ceasefire permitted, in order to identify the most important programme areas without delay. For example, the need for support for a peace or reconciliation process might take priority - at least for the time being - over previous plans. The Democratic Republic of the Congo was currently one of the countries where lengthy programming procedures were not appropriate. While UNDP planned to ensure quick responses to whatever priority needs emerged, the medium- and long-term development needs in the country would no doubt remain similar to those identified before the current crisis erupted.

75. The delegation of the Democratic Republic of the Congo thanked the Assistant Administrator and the Regional Bureau for Africa for the report and their commitment to constructive support in his country. During the current year, the UNDP office in Kinshasa, as the coordinator of United Nations system activities, was intimately involved in the design, preparation, coordination and implementation of various development projects, particularly in the area of agriculture, which was a priority of the development policies initiated by his Government. UNDP had also been especially active in the areas of health, poverty alleviation, governance and capacity-building.

76. UNDP had taken up activities in the areas of economic and social reconstruction, combating corruption, fighting inflation and establishing the legal order. One of the essential components for economic reform was monetary reform, which had begun with the introduction of the Congo franc on 30 June. There was another aspect of reforms for which the country had requested international support, namely, the establishment of a Ministry of Human Rights, which showed the firm commitment and will of the speaker's Government to improve the machinery that would ensure human rights protection - an area where UNDP could play and indeed had played a role.

77. All reforms required the support of the international community, with the ultimate goal of establishing stability in the Democratic Republic of the Congo, which, in turn, was necessary for stability in central Africa. Achieving that goal had been the subject of a planned summit in Kinshasa to establish peace, security and development. It was not possible for the summit to take place as the organizers had wished. Since 2 August 1998, troops from neighbouring countries had violated the territorial integrity of various parts of the Democratic Republic of the Congo, a member of the United Nations. The immediate effect had been to spread death and destruction throughout the country. A number of villages had been destroyed along with food stocks. Kinshasa had been deprived of food and electricity, and the lack of access to safe drinking water had caused the beginning of an epidemic in the capital, where there was insufficient electricity for hospitals. Material and infrastructural losses had been substantial, leading to major challenges for UNDP activities.

78. The delegation called upon the international community to restore the peace and security that had been disrupted in central Africa to avoid serious negative economic and social consequences in the region. The speaker's Government was firm in its desire to put an end to the current crisis so as not to disturb the process of democratization.

79. The delegation of the Democratic Republic of the Congo asked that UNDP maintain as a priority the economic recovery and the reconstruction of the country and increase as much as possible its commitment to the well-being of the victims of the current crisis.

80. The Executive Board took note of the oral report on assistance to the Democratic Republic of the Congo.

IV. UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

81. The Executive Director of the United Nations Office of Project Services (UNOPS) introduced the revised budget estimates for the biennium 1998-1999 (DP/1998/35). He also distributed copies of the 1998 business plan, the 1997 financial statements, and the 1997 financial trends document, as well as a recently-published brochure on UNOPS de-mining services.

82. Noting that UNOPS had recorded another successful year, with increases in both project acquisition and in project delivery for a more diverse portfolio of clients, the Executive Director explained that for three years business acquisition had been rising at a faster rate than staff capacity. He indicated that UNOPS had to build up its staffing to respond to the growing demand for its services, and explained that 90 per cent of the additional $10 million requested for recurrent expenditures was for staff-related costs. He also introduced the concept of extraordinary, or non-recurrent, expenditures, and provided information on the two major projects included in that category, the Integrated Management Information System year 2000 problem and the relocation of UNOPS headquarters premises. He further advised that a small UNOPS office would be established in Rome at the Food and Agriculture Organization of the United Nations and concluded by pointing out changes made in the format of information presented to enhance transparency.

83. Several delegations commented favourably on the quality of the documents provided to the Executive Board and of the Executive Director's presentation. Some delegations expressed concern about the depletion of the UNOPS operational reserve and inquired into the arrangements for its replenishment and the time it would take for any such replenishment with one delegation underlining the need for further details in their report. One delegation added that the potential charge to the operational reserve underscored its previously expressed concern that the level of the reserve might have been set too low, and another delegation requested a comparison between the UNOPS reserve and those of other organizations. Some delegations also asked whether the non-recurrent submissions might not have been anticipated and included under the recurrent operational expenditures. One delegation inquired as to whether the Board was required to approve utilization of the reserve when it was used for its intended purposes.

84. Several delegations noted with satisfaction the continued diversification of the portfolio of UNOPS but encouraged further diversification to ensure the proper portfolio balance. The need for appropriate decentralization was emphasized by two delegations, with another noting the importance of common premises in that regard.

85. One delegation requested that future reports include information about proposed staff increases, including the location of the positions and the sectoral expertise required. Another inquired as to whether UNOPS had a programme for improving its gender balance.

86. One delegation requested that UNOPS arrange for a financial audit of a specific project at the earliest opportunity. Finally, another delegation raised several specific questions pertaining to procurement. That delegation's questions were addressed in discussions outside of the plenary session, with UNOPS providing assurances that it would continue to pursue vigorously the recruitment of experts from the largest possible pool of resources, with specific attention being given to developing countries.

87. The Executive Director thanked the delegations for their useful comments and introduced the UNOPS staff members he had requested to assist in responding to several specific questions raised.

88. The Executive Director emphasized that the increase in staff and related costs was a function of the increase in business acquisition and previous budgetary restraint in anticipation of an acquisition plateau that had not occurred. He noted that while UNOPS had thus far been successful in managing claims that otherwise might have resulted in drawdowns from the operational reserve, he shared the general concern expressed by the Executive Board regarding the level of the reserve. He informed the Board that the level of the reserve would be reviewed in the next budget submission, in accordance with both the terms of the reserve and the request of the Advisory Committee on Administrative and Budgetary Questions. The Board was also advised that UNOPS was carefully managing the impact of the non-recurring costs on the reserve and would keep the Board apprised of its plans and timetables for restoration of the reserve to its proper level. It was also clarified that in the previous budget submission that UNOPS had not been aware that its building lease would not be

renewed, while the provisions for the year 2000 correction had been budgeted previously on a contingency basis. The present budget revision for the year 2000 project was based on estimated actual costs. The Executive Director confirmed that Board approval was not required when the reserve was used for its intended purposes although it was an element of the budget that was approved by the Board. He also stated that the UNOPS reserve level had been initially established on the basis of an analysis of the unique risk exposure profile of UNOPS and that UNOPS was not presently in a position to compare its reserve with those of other United Nations organizations. He confirmed that during the discussions on the next biennial budget he would provide information regarding the arrangements for the replenishment of the reserve, including the time it would take.

89. The Executive Director stated that UNOPS shared the concern of the Executive Board with regard to portfolio diversification and that it would continue its efforts to broaden its client base. It was also confirmed that UNOPS would continue to decentralize operations within the framework of demonstrated effectiveness and cost-benefit.

90. The Executive Director agreed with the request that future reports include details of the location and nature of new staff positions. He informed the Executive Board that UNOPS had commissioned a study on gender balance that was intended to help to develop a strategy to increase, within the context of the self-financing principle, the recruitment of women. He expected to be able to report on the results of the study at the next annual session.

91. In response to the query of one delegation, the Executive Director informed delegations that UNOPS would ensure that its next audit programme considered inclusion of the project mentioned by the delegation.

92. The Executive Board adopted the following decision:

98/20. UNOPS: Budget estimates for the biennium 1998-1999

The Executive Board

1. Takes note of the report of the Executive Director on revised budget estimates for the biennium 1998-1999 (DP/1998/35);

2. Approves the revised budget estimates for the 1998-1999 biennium in the amount of $100,955,000;

3. Approves the proposal that any excess of expenditure over income arising out of the extraordinary non-recurring activities in the 1998-1999 biennium be charged against the operational reserve of the United Nations Office for Project Services;

4. Approves the staffing level as proposed for the biennium 1998-1999, the relocation of two posts from New York to the Rome office and the establishment of the post of Chief of the Abidjan office at the D-1 level;

5. Takes note of the project-specific and temporary post of resident project manager at the L-6 level included in the staffing table for the biennium 1998-1999.

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V. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

93. The Executive Director of the United Nations Development Fund for Women (UNIFEM) focused her oral presentation to the Executive Board on the results achieved by the organization since the UNIFEM strategy and business plan (DP/1997/18) had been endorsed by the Executive Board at its annual session 1997 (decision 97/18). She reported that two major opportunities for the Fund had arisen since the strategy and business plan had been endorsed. The first was the focus of the United Nations system on the Secretary General's reform agenda. Through its emphasis on partnership and collaboration, gender-mainstreaming and follow-up to global conferences, the reform agenda had benefited the work of UNIFEM and created new opportunities to leverage financial resources and political will in favour of women's empowerment and gender equality. The second strategic opportunity had been the widespread interest of Governments and civil society partners in supporting the commemoration of the fiftieth anniversary of the Universal Declaration of Human Rights.

94. The Executive Director highlighted the role of UNIFEM as an innovator and catalyst, and she identified the achievements, constraints and challenges that the organization had identified since the approval of the business plan. She reported that four key results had been achieved: increased collaboration and synergistic partnerships with United Nations agencies; expansion of the knowledge base on innovative approaches to mainstreaming gender concerns; a build-up of staff capacity; and growth in the financial resource base to support the Fund's work. She also identified several lessons learned to date and discussed challenges for the future.

95. Several delegations expressed appreciation for the Executive Director's presentation of the substantive key results of the work of UNIFEM. Delegations commended UNIFEM for its strategic planning and the measurable dividends that planning had yielded in terms of the enhanced programming and improved financial capacity of the Fund. Particular mention was made of the adoption by UNIFEM of a knowledge-based management system that would assist in strengthening the Fund's work and of its efforts to link programming with delivery targets. UNIFEM was encouraged to share its experience in that regard with other United Nations agencies.

96. A special interest was expressed in the work of UNIFEM in Burkina Faso in facilitating the access of women entrepreneurs to global markets. Delegations also expressed interest in the Fund's work in data collection and statistical analysis that included the gender dimension and inquired whether that work had resulted in the alteration of any government policies. UNIFEM was strongly encouraged to continue its work in that area, particularly in view of the impact of the globalization of markets on women, an area that called for increased attention.

97. Delegations welcomed the substantive contribution of UNIFEM towards the implementation of the mainstreaming of gender issues within the United Nations system, including the Fund's work on the United Nations Development Assistance Framework and its role as chair of the United Nations Development Group Sub-group on Gender, emphasizing the importance of that role at the country level. UNIFEM efforts in coordination and collaboration with other United Nations agencies and the World Bank was recognized, and the Fund was encouraged to further strengthen its coordinating role within the United Nations system and to share its success with its United Nations partners.

98. Several delegations commented that they hoped they would be able to increase their contributions to UNIFEM further. One delegation asked whether the Fund's available resources adequately provided for the far-reaching range of activities that had been outlined by the Executive Director. The Executive Director responded that while expanding the resource base of the organization remained a priority, the realization of the goals and objectives of UNIFEM had always relied greatly on its ability to develop strong partnerships with other United Nations agencies as well as with Governments and civil society. Another delegation expressed the hope that UNIFEM could hire personnel from outside the system in order to maintain its expertise on gender equality and women's empowerment.

99. A question was also raised regarding the challenges of gender-mainstreaming at the country level. The Executive Director replied that the challenge of achieving gender-mainstreaming required the commitment of gender focal points, gender advisers, gender specialists and resident coordinators as well as those at the highest levels of the United Nations system. The success of UNIFEM depended as much on its own expertise as it did on bringing about the coordinated, collaborative efforts of all its partners.

100. The Executive Board took note of the oral report on UNIFEM.

VI. RESOURCE MOBILIZATION

101. The President of the Executive Board opened the discussion by asking the Chairman of the Open-Ended, Ad Hoc Working Group on the Funding Strategy for UNDP to report on the results of its work. The Chairman reported that the Working Group had been established pursuant to Executive Board decision 98/3, in response to concern over the significant decline in core funding for UNDP in recent years. The Working Group had held 13 meetings since January 1998, all of which had been well attended by representatives from both programme and donor countries. The Chairman reported that much progress had been made in the Working Group over the preceding eight months; the results included the draft decision contained in document DP/1998/CRP.12. However, substantial negotiations still lay ahead in order to reach full agreement on a funding strategy.

102. In accordance with the objectives of decision 98/3, the Chairman pointed to five fundamental questions that had been of particular significance in the discussions in the Working Group: (a) how to specify the amount of UNDP core resources that were required to fulfil demand; (b) how to integrate non-core

resources; (c) how to consider the issue of burden-sharing; (d) what basic principles should underpin the funding strategy; and (e) how to ensure enhanced predictability.

103. The Administrator then stated that reversing the decline in the core resources of UNDP was the organization's overriding challenge. He expressed satisfaction with the work of the Working Group and emphasized the strong partnership that had been established between programme countries and donor countries. In particular, he emphasized the need for additional core resources on a predictable, assured and continuous basis in order for UNDP to fulfil its mandate. Ensuring a sufficient amount of core resources was essential if the support that UNDP gave to the poorest countries was to be meaningful. He said that in an environment of declining official development assistance, UNDP had to do the best job possible in showing the results of its work, particularly at the country level.

104. Many delegations expressed satisfaction with the report of the Working Group and with the draft decision submitted by the Chairman. The draft decision clearly reflected several points where agreement had been reached during the previous eight months as well as points that still needed to be agreed upon. However, some speakers expressed disappointment about the substantive progress that the Working Group had made over the previous eight months. In that regard, it was suggested that the fundamental question of why core resources had declined had not been addressed.

105. Several delegations underlined the critical importance of maintaining the basic characteristics of UNDP as a voluntarily-funded organization based on the principles of impartiality and neutrality, and the necessity of maintaining its fundamental grant nature.

106. In the context of the proposed resource and results framework, several delegations emphasized the need to avoid ambiguity during the process of conceptualizing such a framework. Some delegations also stressed that since much work still remained in terms of clarifying the basic concepts of the framework, it was essential to ensure enough time for proper integration with already existing administrative and programme mechanisms and procedures in UNDP as well as with other United Nations funds and programmes. It was also stressed that the implementation process must be based on defined benchmarks, which would take time to develop.

107. Some delegations emphasized that additional resources should not be directly linked to quantifiable results as that would clearly be perceived as conditionality. Instead, it was stressed that the allocation of additional resources should be based specifically on the development needs of programme countries. It was also stressed that UNDP should ensure that the proposed framework would not entail additional costs. However, other delegations stressed that further information and consultation was required between programme countries, donor countries and UNDP. One delegation suggested that the development of the framework was tied to the issue of ensuring greater predictability of resources.

108. Several delegations expressed support for the proposal to establish a multi-year funding mechanism based on firm pledges for the first year and pledges, or indications, for subsequent years. However, owing to specific national administrative and budgetary regulations, some delegations said that flexibility would be necessary, since not all countries would be in a position to provide funding indications for more than the current year. On the issue of early payment of the annual voluntary contributions, several delegations supported the view that contributions be paid as early in the year as possible, in order for UNDP to be able to manage its resources as efficiently and prudently as possible, including efforts to limit its exchange rate vulnerability. One delegation also mentioned the need to introduce a mechanism to address any shortfall in expected core resources.

109. Several delegations expressed support for the Administrator's statement on the need to strengthen further the UNDP public profile in both donor and programme countries. In particular, many delegations emphasized the very competitive nature of the international development environment and the need for UNDP to be more visible vis-à-vis other multilateral development organizations.

110. Many speakers emphasized that core resources were the bedrock of UNDP. Some speakers also stressed the fact that non-core resources were essential to the organization and, in several instances, had a catalytic impact. Several delegations welcomed the view that $1.1 billion be used as the future resource target for core resources and urged that a mechanism be developed in order to establish an annual growth target. However, other delegations cautioned that such a target would be unrealistic in that it could only be attained with a significant increase over the present level of core resources.

111. On the issue of obtaining resources from non-governmental sources, one delegation stressed that that would, at the most, be only a supplement to resources obtained from Governments.

112. Some delegations stressed the need for certain donor countries to contribute a larger share to core resources than their present level. Other delegations warned against any effort to evaluate donor country performance but agreed that it was important to widen the donor base in general, in order not to rely on only a few donor countries. Some delegations stressed the importance of contributions to core resources from programme countries as well.

113. The issue of establishing partnerships with other development partners such as the World Bank, non-governmental organizations and the private sector was stressed by several delegations. One delegation emphasized the need to agree on a "package deal" that contained all elements of a funding strategy.

114. The Executive Board adopted the following decision:

98/23. UNDP funding strategy

The Executive Board

1. Reaffirms the fundamental characteristics of the operational activities of the United Nations development system, which are, *inter alia*, universality, neutrality, multilateralism, and its voluntary and grant nature, fully respecting the priorities of programme countries and responding to the needs of developing countries in a flexible manner;

2. Welcomes the role of UNDP in supporting United Nations development activities, including strengthening the role of the United Nations at the country level;

3. Welcomes the commitment of UNDP to working in partnership with the broader United Nations system, international organizations, the private sector and civil society in assisting programme countries in their pursuit of national development plans and priorities for sustainable human development in accordance with the policies agreed by the Executive Board;

4. Stresses the need for a funding strategy, based on the concept of collective ownership, partnership and shared interests with differentiated responsibilities, to strengthen UNDP support for the increasing development needs of programme countries, in particular, least developed countries;

5. Recognizes that a focused, effective and visible programme is important for resource mobilization and reaffirms its decisions 98/1 and 94/14 and endorses the ongoing efforts to enhance the impact of the advocacy and institutional profile of UNDP by strengthening its communication and information strategy, with particular emphasis on cost-effective, high-impact strategies and well-targeted messages;

6. Reiterates that core resources are the bedrock of UNDP and are essential to maintaining the multilateral nature of its work;

7. Recognizes the importance of non-core resources, including cost-sharing, trust funds and non-traditional sources of financing, as a mechanism to enhance the capacity and to supplement the means of UNDP, and in this context recalls its decision 98/2;

8. Regrets the decline in core resources and reaffirms the need to reverse this trend and to establish a mechanism to place UNDP core funding on a predictable and continuous basis;

9. Recognizes that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP and urges all donor and programme countries in a position to do so to increase their contributions to core resources;

10. Adopts an annual funding target of $1.1 billion;

11. Stresses, in this context, the urgent need to achieve annual increases in the mobilization of core resources until the target is met;

12. Decides, in this context, that UNDP shall:

(a) Develop a multi-year funding framework that integrates programme objectives, resources, budget and outcomes, with the objective of increasing core resources, taking into account the following principles:

(i) This framework shall maintain the order of priorities and the mandate of UNDP as determined by the Executive Board;

(ii) This framework shall not introduce any conditionality nor result in distortions of priorities or changes in the current system of resource allocation;

(iii) The allocation of additional core resources that may be mobilized by the multi-year funding framework shall be consistent with programming guidelines determined by the Executive Board, and priority must be given to programmes;

(b) Designate the second regular session of the Executive Board, starting in 1999, as the time when all member countries would:

(i) Announce their voluntary core contributions to UNDP as follows: a firm funding commitment for the current year; for those in a position to do so, a firm contribution or indication of the contribution for the following year; and a firm or tentative contribution for the third year;

(ii) Announce payment schedules for the current year; early payments should be encouraged;

(iii) Review the record of actual core contributions and government contributions to local office costs payments as well as the timing of payments made in the previous calendar year;

13. Decides to initiate a fully participative, transparent, open-ended consultative process between the UNDP secretariat and the States members of UNDP for designing a multi-year funding framework based on the principles as outlined in paragraph 12 of the present decision and on the modalities for the announcement of contributions with a view to holding the first such meeting as stipulated in paragraph 12 (b) of the present decision;

14. Requests the Administrator, on the basis of these consultations, to submit to the Executive Board a report on the multi-year funding framework for consideration at its first regular session in 1999.

23 September 1998

UNFPA segment

115. The Executive Director updated the Executive Board on key developments that had occurred since the annual session in June 1998. Noting that she would address the topics of the UNFPA resource mobilization strategy and the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH) later under their respective agenda items, she went on to inform the Board about the recent launch of the UNFPA report The State of World Population 1998, which had been one of the most successful launches to date, with wide international press coverage and favourable media attention around the globe. Subtitled "The New Generations", the report highlighted intergenerational responsibility and the coming world of 6 billion people. The largest-ever group of young people was now entering their childbearing and working years. At the same time, the number and proportion of people over 65 was increasing at an unprecedented rate. The rapid growth of those young and old "new generations" was challenging the ability of societies to provide education and health care for the young, and social, medical and financial support for the elderly. She underscored that at various international forums and at country, regional and global levels, UNFPA continued to strive to make sure that the importance of the population dimension was adequately taken into account.

116. The Executive Director drew attention to a number of positive developments at the country level. In Kenya, to mark World Population Day, the UNFPA field office had launched a song entitled "I Need to Know", designed to reach young people with messages on reproductive health. Written, produced and performed by Kenya-based musicians, the song had become very popular and was recently the subject of a story in Newsweek magazine. In fact, as a result of the song's success in reaching youth and in conveying the International Conference on Population and Development (ICPD) message, UNFPA was planning to replicate the effort in other countries. Another recent example was Cambodia's first population census in more than 36 years, which had been conducted in March 1998. Despite the political problems, in the opinion of experts, the census was technically sound. Enumerators reached the most remote and inaccessible places, even using elephants when they had to. An indicator of success in work towards gender and reproductive rights was the recent Symposium for Religious Leaders and Medical Personnel on Female Genital Mutilation as a Form of Violence. Organized by the Inter-African Committee on Traditional Practices, in collaboration with the Government of the Gambia, with support from UNFPA, the meeting produced the Banjul Declaration on Violence against Women (22 July 1998), which strongly condemned female genital mutilation (FGM) and prohibited the misuse of religious arguments to perpetuate FGM and other forms of violence. The participants resolved to spare no efforts to enhance the campaign aimed at freeing women from all forms of violence, including FGM. She added that the year's United Nations Population Award recipients, Sabiny Elders

Association of Uganda and Professor Hugh Hastings Wynter of Jamaica, further exemplified how definite progress could be made in the population field.

117. On the subject of sector-wide approaches (SWAPs), the Executive Director assured the Executive Board that UNFPA attached great importance to SWAPs and was already engaged in preparing the conference room paper for the Board. To that end, in addition to discussions in-house, UNFPA had consulted with the United Nations Children's Fund (UNICEF) and UNDP and would shortly be participating in a World Bank-sponsored, five-day "Learning Forum on Health Sector Reform", which would address, inter alia, sector-wide approaches and sector investment programmes. At the initiative of UNFPA, the topic of SWAPs had been placed on the agenda of the United Nations Development Group (UNDG). Also, in response to a request from Board members, the conference room paper on SWAPs would be made available in advance of the second regular session 1999.

118. She was pleased to note that the Economic and Social Council had welcomed the submission by UNDP and UNFPA, in consultation with UNDG, of the consolidated list of issues central to the improved coordination of operational activities, prepared in response to the Executive Board's request at its second regular session 1998 (decision 98/5). UNFPA looked forward to the deliberations in the Second Committee on the triennial comprehensive policy review, which had also been discussed by the Council. The Executive Director noted that the Council had also discussed United Nations reform efforts and she had reiterated that UNFPA remained fully committed to and was actively involved in the implementation of United Nations reforms, within the areas of the Fund's mandate. In supporting those processes, whether at the country level through the resident coordinator system, or at the regional or global levels, UNFPA sought to be constructive in raising issues so that meaningful and sustained progress could be made. UNFPA was participating fully in the assessment of the pilot phase of the United Nations Development Assistance Framework (UNDAF) and would also be fully engaged in designing the next phase. She brought to the attention of the Board a proposal made by the World Food Programme (WFP) that coordination and reform processes could benefit from a meeting of the three Executive Boards of UNDP/UNFPA, UNICEF and WFP.

119. The Executive Director reported that the ICPD+5 process was progressing well. The special session of the United Nations General Assembly to review and appraise the implementation of the Programme of Action of the International Conference on Population and Development (ICPD) would be held on 30 June-2 July 1999 and preparations were under way. Since the Executive Board's last session in June, two round-table meetings organized by UNFPA and one technical symposium organized by the Task Force on Basic Social Services for All had taken place. She expressed deep appreciation to the Governments and private foundations that had generously contributed extrabudgetary funding to the ICPD+5 review and appraisal process, including the round-table and technical meetings. In particular, she thanked the Government of the Netherlands for generously agreeing to host the ICPD+5 International Forum (The Hague Forum), to be held in February 1999. She noted that three meetings would take place during the last quarter of 1998: technical meetings on population ageing, in Brussels, Belgium, from 6-9 October, on reproductive health services in emergency situations in Rennes, France, from 3-6 November, and a Symposium on Population Changes and Economic Development in Bellagio, Italy, from 4-7 November.

Preparations for The Hague Forum in February and the NGO and Youth Forums were under way. On 5-6 February 1999 the Parliament of the Netherlands would host a global parliamentarians' meeting. It was proposed that a series of regional consultations for non-governmental organizations (NGOs) would precede The Hague Forum.

120. She noted that the conclusions and recommendations from the round-table and technical meetings would be utilized, among other sources, as inputs for the report to The Hague Forum and for the draft report of the Secretary-General to the special session of the United Nations General Assembly. The report of The Hague Forum would be made available to the Commission on Population and Development (CPD) in March 1999, as would the comprehensive report of the Secretary-General on the quinquennial review and appraisal of the implementation of the ICPD Programme of Action, to be prepared by the Population Division. An annotated outline of the report of the Secretary-General had been circulated to Member States. An informal briefing for Member States on the status of documentation had been scheduled for 11 December 1998. UNFPA had been collaborating with the Population Division of the United Nations Department of Economic and Social Affairs on the draft report of the Secretary-General which would be submitted to the Open-Ended Session of the CPD in March. Towards the end of the ICPD review process, UNFPA would convene a global meeting of its staff. The Executive Director concluded by thanking the Executive Board for its continued support and guidance to the work of the Fund. She paid special tribute to the UNDP Administrator, Mr. James Gustave Speth, who had announced that he would be departing from UNDP the following year. She noted that UNFPA and UNDP were close partners and the Fund greatly valued the excellent support and cooperation provided by the Administrator.

121. During the discussion that followed, one delegation welcomed the Fund's commitment to and involvement in the implementation of United Nations reforms and was pleased to learn about the positive developments at country level. The delegation, noting that it attached great importance to SWAPs, stated that it was encouraged to learn that UNFPA had held consultations with UNICEF and UNDP to discuss SWAPs. The delegation also welcomed the leading role of UNFPA in the operational review of the implementation of the ICPD Programme of Action and commended the Fund's efforts to encourage the participation and involvement of civil society, including NGOs, in the technical and round-table meetings and other events associated with the ICPD+5 process. The delegation hoped that The Hague Forum, to be held in February 1999, would produce useful inputs for the upcoming session of the CPD.

122. Another delegation, while noting the keen interest of its country in the ICPD+5 process, underscored the importance of ensuring that the process did not reopen what had been agreed to by the international community at ICPD in Cairo, Egypt, in 1994. Instead, the ICPD+5 process should seek ways to take up the challenge to renew efforts to implement the recommendations of the ICPD Programme of Action. In that respect, it was important to strive for a consensus at the preparatory committee meeting in March 1999, prior to the special session of the United Nations General Assembly on the ICPD+5 review and appraisal, given that the special session would last for only three days. The delegation suggested that the recent Special Session of the United Nations

General Assembly on the World Drug Problem could serve as a model for attaining consensus prior to the special session on ICPD+5.

123. The Executive Director thanked the two delegations for their comments and suggestions and informed the Executive Board that UNFPA had made every effort to brief delegations as frequently as possible on the ICPD+5 process. She fully agreed that a consensus should be reached prior to the special session and, most importantly, that the agreements reached in Cairo should not be reopened. She observed that the special session should focus on what key actions Governments would take to implement the ICPD Programme of Action. She added that information on the ICPD+5 activities and events was being widely disseminated through the UNFPA website and that the Fund also planned to hold a series of informal meetings, including one in December 1998, to familiarize delegations with the recommendations of the report of the Secretary-General to the special session. She noted that the Executive Board had a key role to play both in moving the preparatory process forward and in contributing to the deliberations on the ICPD+5 review and appraisal.

VII. RESOURCE MOBILIZATION

124. In introducing the agenda item on resource mobilization, the Executive Director updated the Executive Board on the progress made in informal inter-sessional meetings convened to discuss a sustainable funding strategy that would place the funding of UNFPA on a predictable, assured and continuous basis. Noting that the meetings had been productive and useful, she thanked the members of the Board who had participated and, in particular, the Chairman. The informal meetings had emphasized several important aspects of the Fund's funding situation, including: the clear and focused mandate and programme priorities of UNFPA; the Fund's clear and focused resource allocation system, which was based on a country's level of achievement of ICPD goals and gave special attention to less developed countries, low-income countries and Africa; the increased attention being focused by the international community on the challenges and goals of the ICPD Programme of Action and the desire to take advantage of that momentum; and the perception of both donors and programme countries that UNFPA was an effective organization. In particular, the meetings had emphasized the importance of the predictability of resources; the need to increase the volume of resources; and the timely payment of contributions. From the informal deliberations four key issues had emerged that the Executive Board now needed to consider in drafting a decision: the issue of predictability; the issue of whether the decisions on, and mechanisms for, the funding strategies of the various funds and programmes should be the same or whether they should be tailored to reflect the unique aspects of each of the funds and programmes; the issue of resource targets, including how they should be derived and the level at which they should be set; and the issue of the linkage between programme objectives, resources and results.

125. The Executive Director went on to address each of those issues in turn. Concerning predictability, she noted that there was agreement that UNFPA funding should be both predictable and timely for the effective management of resources and delivery of programmes. UNFPA therefore strongly supported the idea of multi-year pledging while recognizing that it might not be possible for some

countries. Concerning the issue of whether the decision should be the same for the various funds and programmes or tailored to reflect the unique aspects of each fund and programme, she stated that there were common elements that applied to the funding mechanisms of all the funds and programmes, particularly in view of the emphasis on harmonization within the United Nations system. However, it was imperative that a funding strategy capture, and indeed reflect and build upon, the unique aspects of each individual organization and its comparative advantage, so as to enable each organization to maximize its resource mobilization capabilities and, by extension, the delivery, outreach and effectiveness of its programme. Furthermore, a funding strategy should not inadvertently act as a deterrent to resource mobilization or work to the disadvantage of an organization, either of which might be an unintended consequence of efforts to harmonize or generalize the funding strategies of the various funds and programmes. The goal should be to find an acceptable balance that allowed for creativity and for harmonization that was genuinely effective.

126. With regard to the issue of targets, she underscored that a funding strategy should contain resource targets both for the short and longer term. Furthermore, the targets should be both ambitious and realistic, as well as demand-driven rather than supply-driven. Noting that the current UNFPA work plan was supply-driven in that it was based on the projected growth of the current level of income, determined by knowledge and information about the availability of resources, she observed that it was not based on a projected demand for UNFPA assistance or the Fund's capacity to deliver a certain level of assistance in response to that demand. It was thus an inherently limited, even static, income assumption, based on a fixed percentage increase over the current level of income. A demand-driven target would be based not on a projected percentage increase over current income, but rather on perceived need for the Fund's assistance and its perceived ability and effectiveness to deliver that assistance. While clarifying how UNFPA had come up with the target of $1.14 billion for the year 2002, she noted that the figure had not been arrived at arbitrarily, but was the proportion consistent with the proportion of official development assistance channelled through UNFPA to population activities throughout the years, which had more or less remained at between 15 and 18 per cent. The Executive Director pointed out that UNFPA had a solid foundation to build upon to absorb that increase, both in terms of its staff and in terms of its programme and resource allocation system. UNFPA also believed that it was uniquely positioned and well suited to meet the needs of recipient countries in its priority programme areas. She added that the target of $400 million for UNFPA for 1999 was demand-driven and thus more realistically reflected what was needed now to effectively progress towards achieving the goals of ICPD.

127. Finally, concerning the link between programme objectives, resources and results, she noted that within the population field there had been dramatic results from the late 1960s until the present - the significant increases in assisted deliveries and contraceptive prevalence and the dramatic reductions in population growth rates, fertility rates and family size, for example. The success of the previous three decades had resulted from the political will of nations; international advocacy; and the collective and concerted efforts, most notably, of the countries themselves, but also of bilateral donors, UNFPA and other United Nations organizations, local and international NGOs and thousands

of individual health care workers and volunteers. The Executive Director underscored that UNFPA already had in place the organizational and programme elements to help move towards a demand-driven exercise that could integrate the Fund's programme objectives and outcomes, budgeting process, and funding requirements. UNFPA believed that the adoption of a demand-driven funding strategy would strengthen the linkages among those elements, which, in turn, would provide the resource base necessary to enable UNFPA to play a central role in follow-up to the ICPD Programme of Action, as called for in decision 98/8. She concluded by noting that there was no issue more important to the future of the Fund than resource mobilization.

128. During the ensuing discussion, several delegations complimented the Executive Director on her powerful and persuasive statement. All delegations agreed that it was very important for UNFPA to have a funding strategy that would help to ensure that resources increased in volume and were predictable, timely and continuous. Delegations also underscored the need for common principles in the funding strategies for UNDP, the United Nations Children's Fund (UNICEF) and UNFPA and emphasized the fundamental characteristics of the operational activities of the United Nations development system, which were, inter alia, universality, neutrality, multilateralism, and its voluntary and grant nature. With regard to the setting of funding targets, several delegations supported funding targets that were optimistic and ambitious, so as to allow the Fund a better opportunity to mobilize resources. Nonetheless, many delegations pointed out the need for realistic targets and noted that it was not the setting of targets but the demonstration of concrete results that would help to mobilize resources. Several delegations underscored the importance of results-based programming as a means of increasing resource mobilization, particularly in an environment with many competing demands being made on Official Development Assistance (ODA). In such a setting, the demonstration of effective programming and results would attract resources. While a number of delegations supported a system of multi-year pledging and early announcement and payment of contributions, other delegations noted that, owing to national budgetary processes, their countries would be unable to make multi-year pledges and hence a pragmatic and flexible approach to the matter should be adopted. Several delegations underscored the need to expand the Fund's base of donors and to reduce its overdependence on a small group of donor countries.

129. One delegation, echoing the views of several other delegations, emphasized the value of a results-based programming and budgeting system and provided three key reasons for adopting such a system: it would facilitate better measurement of the outcomes of programme activities and help to focus the Fund's strategy on selecting activities that had an impact; the linkage would help to generate more core resources; and it would also help establish new development partnerships and generate more non-core resources. The delegation emphasized that UNFPA needed additional resources and the ICPD+5 review process offered an opportunity both to focus the world's attention on the Fund's activities and to galvanize political support and attract additional resources for realizing the goals of the ICPD Programme of Action. The same delegation stated that funding targets should be ambitious and realistic. Emphasizing the need to diminish overdependence on a small number of traditional donors, the delegation invited other donor countries that had thus far only made modest contributions to increase their contributions to UNFPA. The delegation added that such support

was long overdue and should not depend on the introduction of a new programming and budgeting approach. The delegation stated that the introduction of the new approach should not become a cumbersome or time-consuming exercise. Another delegation concurred with the need for UNFPA to have ambitious targets and stated that those proposed by UNFPA were realistic and the momentum of the ICPD+5 process would help to generate increased resources. Several delegations commended UNFPA for its innovative activities, including seeking new development partnerships and attracting financial support from non-governmental sources, and added that that strategy should serve as a model for other organizations within the United Nations system.

130. One delegation, while underscoring the need for a consistency in the funding strategies for UNDP, UNICEF and UNFPA, stated that at the same time the idiosyncrasies of each organization should be recognized. Noting the decline in ODA, the delegation stated that a goal of $1.14 billion for the year 2002 did not seem reasonable. The delegation also was sceptical about the methodology used to derive the financial goals in the ICPD Programme of Action and added that those goals should not be commingled with the funding goals of UNFPA. The delegation supported multi-year pledges and stated that a funding strategy should specify and quantify the goals to be attained and should set up a budgetary reform process. Another delegation pointed out that although UNFPA played a leading role in the field of population, only between 15 to 18 per cent of ODA for population activities was channelled through the Fund, while the remainder went to other organizations. Thus, given that UNFPA was in competition for funds with other bilateral and multilateral agencies and local and international NGOs, producing effective results was of great importance. The delegation advocated a flexible approach to multi-year pledging and supported expanding the number of traditional donors, noting that burden-sharing should not be misunderstood to mean capacity-based contributions. The principle of voluntary contributions should be maintained.

131. One delegation, while highlighting the importance of specifying demand-driven targets, emphasized that core resources were essential to maintain the neutrality, universality and multilateralism of the Fund's activities. The delegation stated that developed countries should increase their contributions, while at the same time UNFPA should explore other funding channels, including the private sector, NGOs and foundations. Agreeing with the value of multi-year pledges, the delegation underscored the importance of ascertaining the timeliness and predictability of the payment of contributions. Another delegation, while stressing the links between a funding strategy and effective programme delivery, stated that it was pleased that UNFPA had already embarked on results-based management, including using the logical framework analysis. The delegation noted that an important component of programme delivery was the absorptive capacity of countries and asked what action had been taken on the recommendations of an earlier UNFPA study on absorptive capacity. The delegation encouraged the Fund to apply results-based management not just to programming but also to administration, and stressed the value of equipping the organization with effective management tools to improve programme delivery. The same delegation, while commending UNFPA on its success in obtaining funds from private foundations, urged the Fund to expand its resource base by increasing its partnerships with NGOs, regional banks and international financial institutions.

132. While underscoring its continued strong support for UNFPA, one delegation noted that ways and means to increase non-core resources should be explored further, since there appeared to be considerable room to expand multi-bilateral funding. The delegation, echoing a point made earlier in the discussion, stated that those donors that had not contributed to UNFPA at the level of their full potential ought to do so now. The delegation emphasized the need to help to reduce the Fund's overdependence on a few large donors and noted that a sound funding strategy implied a diversification of funding sources. Another delegation, while appealing to donor countries to increase their contributions to UNFPA, stated that programme countries also had a role to play in contributing towards their own development. One delegation, noting that unrealistic funding targets should not be set, stated that the 7 per cent annual increase in income agreed to by the Board at its annual session 1998 had not yet been achieved. Another delegation cautioned that in setting up a machinery that linked financing to outcomes it should be ensured that a new conditionality was not imposed on programme countries. The delegation asked how programme/project results and outcomes would be measured and stated that people in need should not be penalized, nor should core resources be reduced without specific consideration of the root causes of problems impacting programme outcomes.

133. One delegation, while agreeing that the parallel process in devising a funding strategy for UNDP would have implications for UNFPA, stated that any principles or mechanisms emerging from the UNDP process should be made available to the Fund and UNFPA should not be in any way disadvantaged by the non-use of the parallel process. The delegation underscored that UNFPA must be given the same measure of predictability and assuredness of funding accorded to UNDP. Another delegation noted that good progress had been made in the discussions concerning a funding strategy for UNFPA and that it seemed likely that a decision would be adopted on the subject at the current session. The delegation concurred that a funding strategy linking resources to results could galvanize resource mobilization and help to increase the predictability of contributions.

134. In her response, the Executive Director thanked all the delegations that had made interventions. She noted that UNFPA was working on a results-based management and prediction system and had started a process to examine that new approach. She added that the Fund had corresponded with several donor countries to seek information about their experience on the subject and was also exploring the methodologies used by the private sector to put such a system in place. She observed that in the case of the Fund, the administrative budget was separate from the programme budget and a results-based management system would look not at the results of the budget but at the outcomes of resources applied to programming. UNFPA planned to convene a technical meeting of experts, including private sector representatives, to explore the issue further. She emphasized that the Fund would need time to develop and implement such a system in an orderly way and agreed that the exercise should not become cumbersome or too time-consuming. She pointed out that UNFPA had undertaken some internal exercises to derive goals for the Fund's resources based on individual country goals. However, that should not be viewed as a conditionality for individual country programmes, as the focus was on what resources could achieve in a global sense. Thus, the results-based approach would need to be a dynamic and analytical process of programme development, implementation, monitoring and evaluation. The Executive Director noted that the Fund agreed on the

results-based management of resources and hoped to be able to demonstrate, perhaps as early as next year, what resources could achieve. Responding to a query on the study on absorptive capacity, she stated that the Fund was actively following up on the implementation of the recommendations of that study.

135. With regard to the question raised by some delegations on targets, she noted that targets had been agreed for UNDP and UNICEF and there was also a need for a target for UNFPA. The desire for consistency between the three organizations underscored the need to assure a funding target for UNFPA. She observed that it would be up to the Executive Board to decide the level of the target, whether it would be $400 million for 1999 or $1.14 billion for the year 2002. On the question of whether the proposed targets were realistic or unrealistic, she pointed out that increased contributions would certainly make the targets realistic. She added that during the previous year, UNFPA had worked hard and successfully to obtain contributions from private foundations. Noting that core resources from Governments formed the bedrock of UNFPA funding, she stated that the Fund was endeavouring to expand its base of regular contributors. She also hoped that those who were already contributing to the Fund would consider increasing the size of their contribution. She reiterated the important need for a common principle on targets for UNDP, UNICEF and UNFPA and added that the differences would lie in the details of how a results-based system would be managed by each individual organization. She underscored that UNFPA programming was very focused and the Fund had a clear mandate. The Fund proposed to use the criteria of the resource allocation system approved by the Board as well as the programme goals agreed by the Board to measure the outcomes achieved. The Fund was already using the logical framework analysis in its programming to identify goals and expected outputs together with the Country Population Assessment (CPA) exercise and a data system with indicators drawn from the ICPD Programme of Action. The Fund was also developing an approach that could effectively demonstrate what outcomes resources would produce. She stressed the need for demand to be factored in to a resource mobilization strategy and added that in setting targets the Board should focus on what the international community could do together to make a difference in the lives of people around the world. She was pleased to note that the majority of delegations supported the idea that a decision on resource mobilization should be taken by the Executive Board at its current session.

136. The Executive Director observed that those delegations that were inclined towards multi-year pledges appeared to be more supportive of the need to have clear funding targets/goals. However, all delegations seemed to agree on the need for predictable, assured and continuous funding for UNFPA. She agreed with the principles reiterated by several delegations confirming the importance of the voluntary nature of contributions and the neutrality, universality and multilateralism of the Fund, as well as the need for predictability, sustainability and an increase in the volume of funds. She also agreed with the need to link resources with outcomes.

137. The Executive Board adopted the following decision:

98/24. UNFPA funding strategy

The Executive Board

1. Reaffirms the fundamental characteristics of the operational activities of the United Nations development system, which are, *inter alia*, universality, neutrality, multilateralism, and its voluntary and grant nature, fully respecting the priorities of programme countries and responding to the needs of developing countries in a flexible manner;

2. Welcomes the effective role of UNFPA in advocating for and implementing programmes and activities in full accordance with its mandate and the Programme of Action of the International Conference on Population and Development (ICPD) and emphasizes the need for predictable, timely payments and increased funding to enhance the capacity of UNFPA to contribute to the implementation of the ICPD Programme of Action;

3. Stresses the need for a funding strategy based on a concept of collective ownership, partnership and shared interests with differentiated responsibilities that is programme-driven and that encourages a collective partnership with programme and donor countries, lending institutions, the private sector and foundations;

4. Also stresses the important opportunity offered by the five-year review of the implementation of the ICPD Programme of Action in reinvigorating international commitment to the Programme of Action, including to mobilize financial support, based on an analysis of progress made, lessons learned and obstacles encountered, and recalls the resource goals as foreseen in the ICPD Programme of Action;

5. Recognizes the clear and focused mandate and programme priorities of UNFPA and the Fund's clear and focused resource allocation system, which is based on a country's level of achievement of ICPD goals and gives special attention to least developed countries, low-income countries and Africa;

6. Reiterates that core resources are the bedrock of UNFPA and are essential to maintaining the multilateral nature of the Fund's assistance;

7. Recognizes that an effective and visible programme is essential for resource mobilization and, while recognizing the commendable efforts of UNFPA to date in this area, urges the Fund to continue to expand its advocacy and institutional profile at the national and international level in order to illustrate better the importance of its work and of the impact and effectiveness of its programmes;

8. Also recognizes the importance for UNFPA of non-core resources and the work of non-state actors in mobilizing resources;

9. Adopts for UNFPA a programme-driven total resource goal of $400 million for 1999; requests the Executive Director, with the support of all the members of the Fund, to make every effort to reach this goal by mobilizing resources from all sources, including donor and programme countries, foundations, and the private sector; and decides to review this goal in September 1999 with a view to deciding goals for future years;

10. Recognizes that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNFPA and urges all donors and programme countries in a position to do so to increase their contributions to core resources;

11. Decides, in this context, that UNFPA shall:

(a) Develop a multi-year funding framework that integrates programme objectives, resources, budget and outcomes, with the objective of increasing core resources, taking into account the following principles:

(i) This framework shall maintain the order of priorities and the mandate of UNFPA as determined by the Executive Board;

(ii) This framework shall not introduce any conditionality nor result in distortions in priorities or changes in the current system of resource allocation;

(iii) The allocation of additional core resources that may be mobilized by the multi-year funding framework shall be consistent with programming guidelines determined by the Executive Board, and priority must be given to programmes;

(b) Designate the second regular session of the Executive Board, starting tentatively with the second regular session 1999, as the time when all member countries would:

(i) Announce their voluntary core contributions to UNFPA as follows: a firm funding commitment for the current year; for those in a position to do so, a firm contribution or indication of the contribution for the following year and a firm or tentative contribution for the third year;

(ii) Announce payment schedules for the current year; early payments should be encouraged;

(iii) Review the record of actual core contributions as well as the timing of payments made in the previous calendar year;

12. Decides to initiate a fully participative, transparent, open-ended consultative process between the UNFPA secretariat and the States members of UNFPA for designing a multi-year funding framework based on the principles as outlined in paragraph 11 of the present decision and on the modalities for the announcement of contributions with a view to holding the first such meeting as stipulated in paragraph 11(b) of the present decision;

13. Requests the Executive Director, on the basis of these consultations, to submit to the Executive Board a report on the multi-year funding framework for consideration at its second regular session 1999.

23 September 1998

VIII. FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Annual financial review, 1997

138. The Executive Board had before it the UNFPA annual financial review, 1997 (DP/FPA/1998/9), which summarized the Fund's financial situation in 1997 and for purposes of comparison also included financial information for 1996. In introducing the report, the Deputy Executive Director (Policy and Administration) noted that the report highlighted information on income; programme expenditures; biennial support budget expenditures; the status of reserves; the liquidity position; and UNFPA trust funds. He observed that although 1997 had been a year with many challenges, UNFPA had maintained its rate of delivery of quality programmes. The Fund hoped that current donors would continue to support UNFPA initiatives and that new donors would come on board to strengthen and expand the efforts under way to achieve the goals of the ICPD Programme of Action.

139. In the ensuing discussion, delegations focused on the following key issues: the biennial support budget; the level of the operational reserve; funds from private foundations; the national execution modality; and unpaid contributions. A number of delegations expressed concern about the 11 per cent increase in the support budget and stated that it should be controlled. One delegation asked for a clarification on the amount of $29.5 million listed under assets in table 2 of document DP/FPA/1998/9. Another delegation asked for a breakdown of the total income of $335 million for 1998. Some delegations asked about the level of the operational reserve, noting that in 1997 the level had been 21.7 per cent of regular resources income for the year, instead of the required level of 20 per cent. They added that the level of 20 per cent, called for in decision 91/36, was perhaps too high and should be reviewed. One delegation observed that while the issue of the level of the operational reserve had been discussed at the annual session, the amount for the operational reserve had not been reflected in the annual financial review, 1997. The delegation added that in the future, in addition to tables, a narrative should be provided, reflecting some of the discussion and dialogue with the Executive Board on key issues. The same delegation also asked if UNDP had completed the review of its reserve for field accommodation, as the outcome would have some implications for UNFPA. Several delegations commended the Fund on successfully garnering contributions from private foundations. Two delegations asked whether those funds would be considered regular resources or multi-bilateral resources. With regard to the national execution modality, two delegations asked about the decline in Government and non-governmental organization (NGO) execution. Some delegations underscored the need for timely payment of contributions and noted that late payments undermined the work of UNFPA.

140. One delegation, while drawing attention to the economic crisis in Asia, asked if additional resources could be provided for programmes in Asian countries. The delegation also asked whether the Fund had benefited from the devaluation of currencies in some Asian countries. The delegation of the Russian Federation, while commending the Fund for expanding its programme activities in Europe and the Commonwealth of Independent States, stated that there had been a decrease in the Fund's activities in the Russian Federation; given its country's needs in the area of reproductive health, the delegation urged UNFPA to increase its activities in the Russian Federation. Another delegation, while stating that it was very encouraged to learn that UNFPA would continue to work on diversification of resource sources, noted that in order to secure financial resources it was critical to increase public awareness and deepen the taxpayers' understanding of UNFPA activities. In that regard, the delegation added that the recently released UNFPA publication, The State of World Population 1998, had proved very useful and had been widely publicized by the media in its country.

141. In his response, the Deputy Executive Director (Policy and Administration) stressed that the Fund shared the Executive Board's concern regarding the increase in the support budget and was endeavouring to control it and keep it as low as possible. However, it was difficult to reduce the support budget, particularly the salary costs, since it was necessary for the Fund to maintain a critical mass of personnel resources both at the field level and at headquarters. Responding to the queries on the level of the operational reserve, he noted that it had been maintained at 21.7 per cent in 1997, however, that level of the operational reserve would be adjusted to $58 million instead of $63 million, in keeping with the requirements of decision 91/36. He added that that change had not been reflected in the annual financial review, 1997, since that review reflected the financial situation as of 31 December 1997, and the change would be reflected in next year's annual financial review. He agreed with the delegations that had suggested that the level of the operational reserve should be reviewed in the near future. He added, however, that based on the Fund's recent experience with late payments of contribution, the stipulated level of 20 per cent of regular resources income was both necessary and adequate. Concerning the treatment of private foundation contributions, he observed that they had been treated as a part of the Fund's regular resources, as had been discussed at the annual session. However, if the Executive Board wished to review that further, UNFPA would be pleased to do so. With regard to the query on the national execution modality, he underscored that UNFPA was committed to promoting national execution but that the Fund also had to ascertain that the concerned national Governments and national NGOs had adequate capacity to execute the programmes/projects. He observed that a sudden increase in resources for the national execution modality was not anticipated at the present time; however, UNFPA would continue to build national capacity in order to achieve the ultimate goal whereby all UNFPA projects would be nationally executed. He added that many of the Fund's current projects were designed to increase national capacity at the country level. He also noted that the Fund was endeavouring to work more closely with local, national and regional NGOs, rather than international NGOs. With regard to the increase in UNFPA execution, he pointed out that that was mainly due to the procurement services the Fund provided to projects executed at the country level.

142. The Deputy Executive Director thanked the Government of the United Kingdom for generously increasing their contribution to UNFPA. He noted that UNFPA had been greatly encouraged by it.

143. He took note of the comments made by the delegations that had pointed out that in spite of declining resources UNFPA had sustained the level of programme delivery. He observed that that had been possible due to the carry forward of approximately $27 million from 1996 to 1997; without those funds UNFPA would have been obliged to draw down from the operational reserve. He also took note of the comment by the delegation of the Russian Federation that UNFPA activities in its country should be increased in the area of reproductive health. He stated that he would consult with the concerned organizational units in UNFPA on that matter. Responding to the query on the composition of the total income for 1998, he noted that about $290 million was anticipated from regular resources; approximately $20 million from private foundations; and about $25 million from multi-bilateral resources. Concerning the question whether extra funding could be provided to countries in Asia, he stated that UNFPA had recently provided extrabudgetary support to Indonesia in the amount of $20 million to meet its requirements for contraceptives. In response to another question, he noted that UNFPA had not derived any benefit from the devaluation of currencies in some Asian countries.

144. The Director, Division of Finance, Administration and Management Information Systems, elaborated on some of the responses and provided supplemental information. With regard to the increase in the support budget, he emphasized that the Fund was exercising cost-control measures, including delaying recruitment and the opening of new field offices, as well as controlling operational expenses. He clarified that the biennial support budget allotment in the second year of the biennium was 52 per cent while the first year allotment was 48 per cent. Given the built-in structure, the second year allotments were higher and so too were the expenditures. He added that salaries constituted a large component of the budget and, as per the requirements of the United Nations common system, there were a number of mandatory increases in salary that were beyond the Fund's control. Responding to the query on common premises and common services, he stated that UNFPA remained an active partner and participant in United Nations Development Group (UNDG) efforts to implement the Secretary-General's directive on common premises and common services and hoped that those efforts would lead to synergies and cost savings. However, that had not yet happened. He noted that in the case of common premises, frequently, there were initial capital costs, including for refurbishment and repair, and as a result often there was an increase in costs rather than a decrease. He added that UNDG agencies wished to present jointly a conference room paper to the Executive Board in 1999, analysing the experience of the past couple of years concerning the issue of common premises and outlining the constraints and challenges that remained.

145. He thanked the delegation that had suggested that in addition to the tables provided in the annual financial review, a narrative could be included to reflect the discussion and dialogue with the Executive Board on specific matters. With regard to the operational reserve, he underscored that the annual financial review, 1997, reflected the past biennium, and the 1997 figures could not be changed; however, in 1998 and in future years, the level of the

operational reserve would be adjusted and that would be reflected in the subsequent annual financial reviews. He also reminded the Board that according to its decision 91/36, both the level and the amount of the operational reserve should be reviewed every two years. Thus, the Board might wish to examine the issue during 1999. Regarding table 2, he noted that it represented a balance sheet reflecting assets and liabilities. He added that the cash at the end of the year, $29.5 million, while shown as cash had in fact to be counterbalanced by the payables and unliquidated obligations that would need to be adjusted. On the topic of the field office accommodation reserve, he noted that the UNDP review of its reserve for field accommodation had not yet been completed, but that UNDP would share its findings with UNFPA upon completion of the study. Nevertheless, with regard to the construction of common premises in four countries mentioned in paragraph 14 of document DP/FPA/1998/9, he observed that agreement had now been reached between participating agencies regarding the office premises in the Maldives and assurances had been received that recommendations would be forthcoming concerning the remaining projects.

146. The Executive Board took note of the report on the UNFPA annual financial review 1997 (DP/FPA/1998/9).

Revision of financial regulations

147. The Executive Board took up for consideration the revision of financial regulations (DP/FPA/1998/10). In introducing the report, the Deputy Executive Director (Policy and Administration) noted that revisions to existing UNFPA financial regulations had become necessary as a result of the harmonization of budgets by UNDP, UNFPA and the United Nations Children's Fund (UNICEF), in order to reflect the new terminology and other modifications approved by the Executive Board at its second regular session 1997 (decision 97/6). He noted that the modifications suggested were: (a) changes to the components of miscellaneous income and treatment of income derived from UNFPA support costs and net income from procurement services as credit to the biennial support budget; and (b) replacement of the term "APSS budget" by the term "biennial support budget" in a number of regulations, as listed in the report. He further noted that additional revisions had resulted from the work of the Procurement Working Group of the Common Services Initiative, which was part of the Secretary-General's reform initiative. Those revisions enhanced internal controls as they pertained to procurement functions and the management of property.

148. One delegation, while welcoming the proposed revisions to UNFPA financial regulations, noted that in particular it welcomed Regulation 14.6, which sought to lay down the principles for procurement. The delegation asked to what extent UNFPA had been involved in the inter-agency working group on procurement. The delegation added that it would like to see principle "c" in Regulation 14.6, concerning the request for bids, translated into a system similar to the one introduced by the World Bank, where at an early stage, such information was placed on the Internet. The delegation was also interested in knowing how UNFPA would implement the recommendations. Another delegation, while noting its support for the budget harmonization process, inquired about Regulations 4.14 (g) and 5.4. Referring to paragraph 39 of document DP/1997/2, the delegation stated that with regard to procurement and services to third parties, by definition, negative figures could not be debited from the biennial

support budget. Concerning Regulation 4.14, the delegation noted that it had not been clarified where the interest income would be accounted for. The same delegation recommended changes in the proposed text of Regulation 4.14 (g) and Regulation 5.4, which were agreed to by the Executive Board.

149. In his response, the Deputy Executive Director (Policy and Administration) noted that UNFPA had been actively involved in the inter-agency working group on procurement and was in fact the Deputy Chair of the working group. Responding to the comment on procurement services, the Director, Division of Finance, Administration and Management Information Systems, pointed out that after deducting all expenses whatever was the net surplus was the income credited to the budget. He underscored that until now there had been no net negative amount in the procurement activity. In response to the query on interest income, he noted that interest income was not included in miscellaneous income; after the harmonization guidelines it was shown separately under UNFPA General Resources (Fund) in the Income Statement.

150. The Executive Director stated that even at the country level there had been an attempt to harmonize procurement as part of the UNDG approach. While that was occurring at a varying pace in different countries, depending on the kinds of procurement engaged in, there had been definite progress, more than was being reported. She added that instructions had gone out to the Fund's field offices to pursue some common approach to procurement. She observed that UNFPA was very flexible on that, except in the area of procuring contraceptives, where it was the lead agency and had been able to negotiate favourable prices, and was in fact procuring contraceptives for many other organizations, including the World Bank, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and the World Health Organization.

151. The Executive Board adopted the following decision:

98/21. UNFPA: Revisions to the Financial Regulations

The Executive Board

Approves the revisions to the United Nations Population Fund Financial Regulations as contained in paragraphs 3, 4 and 5 of document DP/FPA/1998/10, with amendments to Regulation 4.14 (g) and Regulation 5.4, as follows:

(a) Regulation 4.14 (g): Amounts otherwise designated to be credited to the biennial support budget, including, inter alia, income derived from UNFPA support costs and net income relating to procurement services provided to third parties;

(b) Regulation 5.4: Funds received by UNFPA under Regulation 14.6 for procurement of supplies, equipment and services on behalf and at the request of Governments, specialized agencies or other intergovernmental or non-governmental organizations shall be treated as trust funds. The income relating to procurement services provided to third parties shall be used to meet the direct cost of these services. At the close of a biennium, any excess of income shall be credited to the biennial support budget.

16 September 1998

152. The Executive Board took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the revision of financial regulations of UNFPA and the review of multi-bilateral trust fund arrangements of UNFPA (DP/FPA/1998/14).

Multi-bilateral trust-fund arrangements

153. In introducing the review of multi-bilateral trust-fund arrangements (DP/FPA/1998/11), which had been prepared in response to decision 97/26, the Deputy Executive Director (Policy and Administration) noted that the report provided a brief historical review of the Fund's multi-bilateral programme and the lessons learned during its implementation, as well as information on the managerial and administrative workloads and costs incurred by the Fund in implementing multi-bilateral funding arrangements. He pointed out that the recommendations of the Executive Director for undertaking cost recovery for multi-bilateral operations were contained in paragraphs 27 and 28 of chapter V of the report, and noted that they had been endorsed by the Advisory Committee on Administrative and Budgetary Questions (ACABQ). While observing that the magnitude of multi-bilateral funding had been small, he noted that UNFPA considered multi-bilateral resources to be an important supplement to its general resources and had sought to ensure that the mobilization and management of multi-bilateral support was not subsidized by the regular resources.

154. Several delegations agreed that there should be full cost recovery for the administrative and operational support (AOS) and managerial and support services (MSS) costs incurred for multi-bilateral projects. However, a number of delegations pointed out that further analysis was needed to justify the proposed increase of AOS costs from the current level of 5 per cent to 7.5 per cent and the proposed charge of 5 per cent for MSS costs; the delegations added that a rationale was needed beyond the one offered in the document, viz. harmonization with UNDP, UNICEF and other agencies of the United Nations system. While supporting the increases in principle, several delegations expressed concern that they might be detrimental to attracting new multi-bilateral activities. One delegation wondered if the MSS costs should be proportional to the size of the projects and added that the argument for increasing the MSS and AOS costs would be more convincing if actual cost figures were provided. Another delegation while observing that a 7.5 per cent increase in cost recovery for multi-bilateral projects was not insignificant, stated that it would have been useful to have the Fund's assessment of the impact of that increase on future levels of multi-bilateral funding. The delegation went on to ask if UNFPA distinguished between multi-bilateral funding as supplemental funding or as donor projects it had been commissioned to implement. The same delegation also asked if UNFPA would prefer to see multi-bilateral funding at its present level of 9 per cent of general resources or at the 10-year average of 5 per cent. One delegation, while noting that it preferred the biennial support budget to stay as low as possible so that the bulk of UNFPA funds could be used for programme support, stated that cost-recovery measures could help to limit the pressure on

the biennial support budget. Another delegation, while underscoring that core resources should remain the bedrock of UNFPA funding, stated that multi-bilateral funding provided a means of securing additional resources. The delegation asked when the proposed increases would go into effect and whether they would apply to agreements that were already being implemented.

155. One delegation stressed that multi-bilateral activities should always have the consent of the recipient Government and form an integral component of the Fund's regular support programme approved by the Executive Board; be compatible with the Fund's general policies; and not adversely affect core funding. Another delegation, while noting that the increase in AOS and MSS costs could lead to a decrease in demand for those services, stated that there was no immediate guarantee that donors having been discouraged from multi-bilateral activities would necessarily channel those funds to core resources. The delegation asked if UNFPA was concerned about cost containment. One delegation, while observing that the total charges for AOS and MSS should not exceed 9 per cent, noted that the Fund's multi-bilateral mechanism was cumbersome and the reporting requirements placed a heavy burden on the Fund. The delegation stated that the mechanism should be streamlined and that UNFPA should propose a uniform reporting format for the consideration of donors to reduce the reporting burden. Another delegation agreed to raising the AOS charges from 5 per cent to 7.5 per cent, but stated that the MSS charges should be less than 5 per cent. Cautioning that the proposed increases in AOS and MSS charges would reduce the availability of multi-bilateral funding, one delegation suggested that a decision on the matter should be linked to the resource mobilization strategy and should be deferred to the subsequent session of the Executive Board. Another delegation stated that the decision on multi-bilateral trust-fund arrangements should be neither linked to the funding strategy nor be delayed, and added that UNFPA should be fully reimbursed for both AOS and MSS costs.

156. In his response, the Deputy Executive Director (Policy and Administration) thanked the delegations for their comments and was gratified to note the consensus on full cost recovery for the execution of multi-bilateral projects. He appreciated the general support expressed by delegations regarding AOS and MSS costs and the need to ensure that the management of multi-bilateral activities was not subsidized by core resources. He took note of the request from some delegations that additional information was needed to justify the proposed increase in charges for AOS and MSS costs. He stated that the increases proposed were not purely for purposes of harmonization with other agencies in the United Nations system but were based to a large extent on the 1991 study on cost-measurement conducted by UNDP for system-wide application. That study found that the rate of overhead costs was 15 per cent for project execution. Currently, UNFPA was paying 7.5 per cent to United Nations agencies for the execution of UNFPA-funded projects. The 7.5 per cent figure was based on the concept of partnership, but was also based on the 15 per cent indirect cost requirement substantiated by the UNDP cost-measurement study. He added that one of the United Nations funds and programmes was charging between 5 to 18 per cent for AOS costs. He concurred with the view that the decision on the cost-recovery issue should not be linked to the resource mobilization issue. He welcomed the suggestion that a more efficient reporting mechanism should be developed but added that it would take some time to look into its feasibility. Responding to the comment that cost recovery should be proportionate to the size

of the multi-bilaterally funded project, he stated that in general the UNFPA multi-bilateral projects were modest in size and hence a flat-rate approach was more practical and cost-efficient. With regard to the timing of the application of the new cost-recovery measures, he noted that they would be applied upon approval by the Executive Board, effective 1 January 1999. However, the new cost-recovery measures would not be applied to the already existing multi-bilateral projects.

157. The Executive Board adopted the following decision:

98/22. UNFPA multi-bilateral trust-fund arrangements

The Executive Board

1. Welcomes the report on the review of multi-bilateral trust-fund arrangements prepared in response to Executive Board decision 97/26 (DP/FPA/1998/11);

2. Reaffirms the principle of additionality and complementarity of multi-bilateral funding on the understanding that it will not impinge on the general resources of the Fund;

3. Endorses the principle of full cost-recovery for multi-bilateral assistance based on charges for managerial and support services and administrative and operational support;

4. Also endorses the establishment of a managerial and support services charge to be levied at a rate of 5 per cent on all multi-bilateral activities, as set out in document DP/FPA/1998/11;

5. Accepts, as an interim measure, the proposed increase in administrative and operational support costs from the present rate of 5 per cent to the proposed rate of 7.5 per cent;

6. Requests the Executive Director to develop a methodology for full cost identification and recovery;

7. Also requests the Executive Director to quantify the level of charges for administrative and operational support, as recommended by the Advisory Committee on Administrative and Budgetary Questions in its report contained in document DP/1998/37-DP/FPA/1998/14, and to report thereon to the Executive Board with a view to adopting a final decision on administrative and operational support costs at its third regular session 1999;

8. Decides that the new cost-recovery arrangements shall be effective from 1 January 1999 and shall apply to new agreements as of that date.

22 September 1998

Implementation of the 1998-1999 biennial support budget

158. The Executive Board had before it the progress report on implementation of the 1998-1999 biennial support budget (DP/FPA/1998/12), submitted in response to paragraph 7 of decision 97/26, in which the Board requested the Executive Director to report to the Board at its third regular session 1998 on progress in implementing the support budget for the biennium 1998-1999, taking into account relevant developments until that time as well as foreseeable trends with regard to the income level for 1998 and projections for 1999, the expected level of programme expenditure in 1998, as well as the United Nations reform process. In introducing the report the Executive Director noted that, as discussed with the Executive Board at its annual session 1998, UNFPA had experienced an increase in voluntary contributions, which were reflected in the income estimates provided to the Board at that session. Taking into account indications from donors and based on a total income estimate of $335 million for 1998, UNFPA estimated that total resources for the 1998-1999 biennium would be about $692 million from all sources, as reflected in the 1999-2002 work plan, which was approved by the Executive Board at its annual session. She hoped that donors would do their utmost to provide additional contributions at year-end.

159. The Executive Director drew the attention of the Executive Board to paragraphs 17 and 18 of document DP/FPA/1998/12, which described cost-control measures put in place by UNFPA to attain certain expenditure levels determined in view of the resource projections just mentioned. Those cost-control measures, in addition to an expected increase in income, would enable UNFPA to maintain the 1998 net support budget expenditure, in real terms (i.e., adjusting for inflation), at the same level as in 1997. UNFPA would also endeavour to keep the support budget net expenditures around $125.5 million for the 1998-1999 biennium, i.e., around $2 million less than approved net appropriation. That expenditure level would place the ratio of net support budget expenditures to regular resources at around 20 per cent. She noted that in a period of some expansion in the number of new posts and offices, the objective of reduced net expenditures was a considerable challenge and would not be achieved without putting additional, significant pressure on the Fund's existing modest structure. Reiterating the Fund's continuing commitment to the United Nations reforms, she observed that, as described in chapter IV of the aforementioned document, UNFPA was actively participating in the reform process but wished to emphasize that the potential for realizing budgetary economies, as a consequence, was limited. She underscored that while facing the dual challenges of diminishing resources and increasing demands, UNFPA had continued to fulfil its role as the leading agency in population and development.

160. The Executive Board took note of the progress report on implementation of the UNFPA 1998-1999 biennial support budget (DP/FPA/1998/12).

IX. SOUTH-SOUTH COOPERATION

161. In response to its decision 96/9, UNFPA submitted to the Executive Board a progress report on UNFPA support to Partners in Population and Development (DP/FPA/1998/13). In introducing the report, the Director, Technical and Policy Division (TPD), highlighted that the Partners in Population and Development

(PPD) initiative focused on the key areas of reproductive health, including family planning and sexual health, and population and development in developing countries. He noted that a major goal of PPD was to facilitate and coordinate intercountry sharing of skills and knowledge in the four focus areas outlined in paragraph 4 of the report. Support from the Governments of the Netherlands and the United Kingdom, as well as from the World Bank had enabled PPD to undertake innovative activities such as enabling other developing countries to share and learn from the experience of NGOs, including Profamilia, Colombia, an NGO renowned for its work in the area of reproductive health and family planning. The Director, TPD, added that over the past two years PPD had moved decisively to diversify its funding base. Initially funded by the annual contributions of its member countries, the Rockefeller Foundation, the World Bank and UNFPA, the PPD secretariat had subsequently mobilized financial support for programme development from the William H. Gates Foundation, the William and Flora Hewlett Foundation and the David & Lucile Packard Foundation. Support had also been provided by the United States Agency for International Development. Underscoring the Fund's close relationship with PPD, he noted that besides financial support, UNFPA had provided technical and programmatic support to PPD from both headquarters and its field offices, including through the UNFPA Country Support Teams. In addition to recruiting staff for the PPD secretariat, UNFPA managed all PPD funds and provided end-of-the-year financial reports to agencies funding PPD. The Fund had also played a key role in helping to establish the PPD secretariat in Dhaka, Bangladesh.

162. Several delegations noted their strong support for South-South cooperation in general and PPD in particular and expressed their appreciation for the clear and comprehensive introduction provided by the Director, TPD. One delegation stated that the PPD was a flagship for South-South cooperation and welcomed the plan to develop a consultant roster to encourage greater participation by developing countries in technical cooperation. Another delegation emphasized that PPD was a model programme and was pleased that its membership had expanded to include 13 countries. The delegation asked about plans to include countries with economies in transition in PPD membership, as called for in decision 96/9. One delegation, while commending the Fund's efforts in promoting South-South cooperation through its programmes, noted that in the context of declining official development assistance, South-South cooperation was a very useful modality. The delegation added that its country had increased its contribution for technical cooperation among developing countries, including through such schemes as the dispatch of third-country experts under its global initiative on population and HIV/AIDS.

163. The delegation of Bangladesh noted that its country was proud to have been chosen to host the PPD secretariat, which had been established in Dhaka in 1996. It noted the financial, technical, logistical and in-kind contributions its country had made to the PPD secretariat. Underscoring Bangladesh's gains in improving the reproductive health status of its people in spite of overwhelming odds, the delegation stated that its country could share that experience with other developing countries, as well as gain from the experience of others.

164. A number of delegations inquired about the links between UNFPA and PPD, in particular regarding the impact and influence of PPD on the Fund's strategies and programmes, and requested UNFPA to provide examples at a future time on the

sharing of knowledge and skills as well as capacity-strengthening at the country level. One delegation, noting the close and beneficial relationship between the Fund and PPD, underscored that its country planned to continue its active involvement with PPD. The delegation also hoped that UNFPA would minimize the administrative procedural constraints affecting PPD operations. It added that at a later date there should be a review to consider whether and when PPD might be able to function more effectively as a separate agency. Another delegation advised against setting PPD apart from programmes such as UNFPA and stated that PPD should expand its framework to include the assessment of demographic trends and their policy consequences. The delegation added that there should be close consideration of what PPD could add to the work of UNFPA, the World Health Organization, the World Bank and regional organizations such as the Economic Commission for Latin America and the Caribbean. Furthermore, South-South cooperation should be mainstreamed across all the United Nations funds and programmes.

165. In his response, the Director, TPD, thanked the delegations for their supportive statements and noted that UNFPA had been very active in PPD, which was an intergovernmental organization with its own Executive Board and Executive Committee. UNFPA provided support to PPD in such areas as staff recruitment and the management of funds. He underscored that UNFPA was firmly committed to promoting South-South cooperation and had been supporting such activities and exchanges for the last 20 years. He added that PPD was now in a financial position to place one staff member at UNFPA headquarters and would also be able to take advantage of the Fund's field structure in promoting implementation of the ICPD Programme of Action. He took note of the request made by several delegations to provide examples of the mutually beneficial relationship between UNFPA and PPD. He added that in keeping with the UNDP administrative structure, the PPD secretariat, like the Fund, was required to follow certain administrative and financial procedures. With regard to the comment on administrative procedural constraints, he noted that most of the initial problems had been resolved.

166. The Executive Director of PPD also thanked the delegations for their support and noted that the PPD initiative represented a true partnership between programme countries and bilateral and multilateral agencies. He noted that efforts were under way to seek the involvement of countries with economies in transition. He agreed that PPD should be complementary to existing arrangements and should not be a vertical, stand-alone programme. Furthermore, it should propose certain models and best practices that would be used by developing countries and would also be reflected in the population policies and programmes of donor countries. Referring to the consultant roster being developed by PPD, he noted that developing the capacity of consultants from the South was a key objective of PPD. Last year, PPD had organized a training programme in Cairo, Egypt, which had enabled the development of a training module for consultants. That module was being refined and would later be translated into French and Spanish. To illustrate the close relationship with UNFPA, he gave an example of how the Fund's field offices in Kenya, Uganda and the United Republic of Tanzania had provided small grants to support the initial investment necessary to start up activities under the PPD initiative. The grants provided by UNFPA had been instrumental in enabling governmental and non-governmental agencies to come together with the PPD secretariat to develop the initial programme and

three-year rolling plans in those respective countries. Emphasizing the close cooperation of PPD and UNFPA, including at the policy level, he added that the Fund had recently issued additional guidelines to promote South-South cooperation in its programmes.

167. The Executive Board took note of the progress report on UNFPA support to Partners in Population and Development (DP/FPA/1998/13) and approved the continuing working relationship between UNFPA and the Partners in Population and Development as contained in the report.

X. COUNTRY PROGRAMMES AND RELATED MATTERS

168. The Executive Board had before it three proposed programme extensions: Extension of Assistance to the Government of Pakistan (DP/FPA/PAK/5/EXT 1); Extension of Assistance to the Government of the Philippines (DP/FPA/PH/4/EXT 1); and Extension of Assistance to the Governments of Kazakhstan, Azerbaijan, Tajikistan, Turkmenistan, Uzbekistan and Kyrgyzstan (DP/FPA/KATTUK/1/EXT 1). Since no requests for discussion had been received, and in accordance with decision 97/12, the Board approved without discussion the extensions of the following country programmes: Extension of Assistance to the Government of Pakistan (DP/FPA/PAK/5/EXT 1); Extension of Assistance to the Government of the Philippines (DP/FPA/PH/4/EXT 1); and Extension of Assistance to the Governments of Kazakhstan, Azerbaijan, Tajikistan, Turkmenistan, Uzbekistan and Kyrgyzstan (DP/FPA/KATTUK/1/EXT 1). Following the approval of the extensions, the floor was opened for discussion.

169. During the discussion, a number of delegations inquired about the issue of coordination. One delegation, while supporting all three programme extensions, asked what effect the extensions would have on harmonization with the country programmes of UNDP and the United Nations Children's Fund. Another delegation inquired how the work of UNFPA in Pakistan would complement the work of other in-country donors, such as the European Union, the United Kingdom, the United States, the World Bank and the World Health Organization. The delegation asked if there was a mechanism in place for donor coordination and went on to inquire how the issue of a contraceptive shortfall in the Government's family planning programme was being addressed. The same delegation asked how the information, education and communication (IEC) component of the programme on youth and adolescents would target young people in Pakistan, particularly with regard to reproductive health and nutrition. The delegation also asked for information on how the umbrella NGO, referred to in the document would address the needs of people in the rural areas of Pakistan. Another delegation, while fully supporting the rationale for the programme extension in Pakistan to bring it more fully in line with the principles of the International Conference on Population and Development (ICPD) Programme of Action, noted that there appeared to be some ambiguity in the document concerning the original goals of the programme remaining valid while only the strategies were adjusted. The delegation stated that it should be made clear that the demographic targets of the original programme were not fully consistent with the ICPD approach and that the programme extension would address that.

170. One delegation, speaking also on behalf of another delegation, noted that broadening the Pakistan programme focus to the provincial level would be an essential step in reorienting the programme away from family planning to the reproductive health approach promoted by the ICPD Programme of Action. The delegation went on to emphasize that the work of the Fund should complement and support the work of other in-country donors that were closely involved in the Social Action Programme (SAP and SAP-2) of the Government of Pakistan. To avoid duplication, the mandate, responsibilities and institutional arrangements of the proposed UNFPA technical support unit should be coordinated and agreed to by those participating in SAP-2, particularly since a SAP-2 multi-donor support unit already existed. The same delegation suggested that the mandate and responsibilities of the technical support unit should be developed jointly with SAP-2 donors and formally recorded in a document.

171. With regard to the country programme in the Philippines, one delegation inquired about in-country coordination and stated that it had not been as complete as desired. Observing that donor coordination was of paramount importance, the delegation asked what strategies were being put in place to intensify coordination. The same delegation also asked if there was a specific sub-strategy to reach the Muslim communities and other hard-to-reach ethnic groups in the Philippines.

172. The delegations of Azerbaijan, Kazakhstan and Kyrgyzstan took the floor to support the programme extension and to underscore the important contribution UNFPA had made in their countries, as well as to emphasize the need to continue that work. The delegation of Kyrgyzstan noted that while the six countries of the subregion had certain socio-economic and political similarities, there were specific cultural, religious and historical differences. Thus, while one programme for the six countries may have initially been justifiable, it was now necessary to have individual country programmes in order to address specific country needs. The delegation therefore welcomed the preparatory activities of UNFPA in formulating national programmes for the next cycle of assistance. The delegation of Kazakhstan, while underscoring the gains made in its country in the area of reproductive health, including family planning, as a result of UNFPA assistance, stated that its country was keenly interested in seeing an expansion of its cooperation with UNFPA, including to carry out a census in 1999. The delegation emphasized that the continued presence of UNFPA in its country would help to improve the demographic situation and the quality of life. The delegation of Azerbaijan pointed out that as economies in transition, the six countries of the subregion had great need for UNFPA support, particularly since the transition to a market economy was causing severe problems and deterioration in the social and economic sectors, especially health and education. UNFPA together with other agencies of the United Nations system needed to address jointly the entire range of emerging problems. The presence of 1 million refugees and internally displaced persons in Azerbaijan was having a negative effect on the country's population. The delegation stated that during the past few years, UNFPA had successfully addressed its country's immediate needs for contraceptives, essential drugs, basic medical equipment and training. The delegation added that on 20-24 September 1998, the Government of Azerbaijan would host a Conference on the Role of Men in Population and Reproductive Health Programmes, which was jointly organized by UNFPA and the Economic Cooperation

Organization. It was hoped that the outcomes and recommendations of the conference would benefit all countries in the region.

173. In her response, the Director, Asia and the Pacific Division (APD), noted that in terms of broadening the country programme in Pakistan to the provincial level, a major exercise involving government officials and consultations with donors and technical agencies had taken place. One of the issues discussed had been the need to have functional integration at the provincial level, given the parallel systems of the Ministry of Health and the Ministry of Population Welfare. It was hoped that during the programme extension period, a foundation could be laid to improve that integration at the lower levels. She added that with regard to SAP-2, as part of the aforementioned exercise, discussions were held with the SAP-2 partners vis-à-vis UNFPA assistance. She assured delegations that UNFPA would not move ahead with a duplicate system or undermine systems that were working and already in place. She went on to point out that the proposed technical support unit was a Government of Pakistan unit being set up with UNFPA funding. The purpose of the unit was to improve the technical capacity of the population programme and to enhance national capacity in various programme areas. She reiterated that consultations would take place with donors and concerned agencies to avoid duplication. She noted that it would certainly be possible to make sure that all parties worked in harmony to strengthen each others' activities and a document formalizing that, as suggested by two delegations, could be developed. Responding to the query concerning IEC for youth and adolescents, she observed that those activities would be undertaken by the Ministry of Population Welfare and through NGOs. In that regard, UNFPA planned to strengthen the NGO umbrella mechanism, National Trust for Population Welfare, including to enable it to address the needs of people in the rural areas. With regard to the contraceptive shortfall in Pakistan, she stated that she would need to check the data and provide information at a later time. Concerning the question on the original goals of the Pakistan programme, she observed that paragraph 7 of the document had sought to clarify that the programme extension would specifically broaden the programme to bring it in line with the ICPD paradigm.

174. The Director, APD, stated that with regard to harmonization of the three programmes, the matter had been discussed with the development partners, including United Nations partners, through the resident coordinator system. Responding to the query on the Philippines, she noted that in that country the Fund's coordination with other partners was strong and, in particular, UNFPA had close collaboration with donors such as Australia and the Netherlands, as well as with agencies of the United Nations system. She noted that the United Nations system, with assistance from Australia and the Netherlands, had developed a programme in Mindanao to address the special needs of the Muslim population.

Global Initiative on Contraceptive Requirements and Logistics Management Needs

175. In response to a request made by the Executive Board at its annual session 1998, the Deputy Executive Director (Programme) gave a brief oral report addressing some of the key questions relating to the work of the Fund's Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries, including the Fund's efforts to expand the commercial

market for contraceptives in developing countries. In July 1997, with support from the Department for International Development (DFID) of the United Kingdom and the Rockefeller Foundation, UNFPA had organized a consultative meeting on expanding commercial markets for oral contraceptives in developing countries. The consultation concluded that an expanded role for the commercial sector in meeting the demands of couples who could afford to pay for contraceptives would reduce the burden on governmental budgets by freeing scarce resources for couples who could not afford to pay. In particular, it might be possible to reduce full commercial prices if Governments were willing to underwrite some of the marketing costs. The consultation also concluded that UNFPA should take the lead in serving as a broker to help to bring interested parties together for further negotiations. Noting the progress in terms of meeting contraceptive needs in reproductive health programmes and efforts to strengthen contraceptive logistics and delivery systems in developing countries, the Deputy Executive Director (Programme) pointed out that the Fund's procurement of contraceptive commodities had more than doubled in the period 1989 to 1997, from $11.2 million to $26.8 million, respectively. Since 1997, through its Global Contraceptive Commodity Programme, UNFPA had also facilitated the provision of contraceptives to countries facing emergency situations. Furthermore, UNFPA continued to provide technical assistance to enhance national capacity to strengthen contraceptive logistics systems in developing countries.

176. Two delegations stated that they were very pleased with the work of the Fund's Global Initiative on Contraceptive Requirements and Logistics Management Needs; one of the delegations, noting its Government's support for the Global Initiative, commended UNFPA for its leadership role in dealing with the private sector. The other delegation underscored that it was impressed and encouraged by the tangible and concrete results obtained by the Global Initiative, in particular by the increasing commitment of developing countries to strengthen national logistics management capacity by themselves.

177. The Deputy Executive Director (Programme), thanked the delegations for their positive comments and encouragement.

178. The Executive Board took note of the oral report on the UNFPA Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries, including the private sector initiative.

XI. COORDINATING COMMITTEE ON HEALTH

179. The Executive Board had before it the report of the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (DP/FPA/1998/CRP.4). In her introductory remarks, the Executive Director reported that the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH) had taken place on 3-4 July 1998 at the headquarters of the World Health Organization (WHO) in Geneva. She noted that at that meeting she had underscored the relevance of the decision of the Executive Board to propose the inclusion of UNFPA and to indicate the ways in which the Fund's inclusion in the deliberations of the former United Nations Children's Fund (UNICEF)/WHO Joint Committee on Health Policy (the predecessor of CCH) would facilitate inter-agency collaboration and coordination. She observed that the first meeting of CCH had highlighted the

issues of common approaches; a better exchange of methodologies, data and knowledge; and greater harmony in collaboration at country level. The Executive Director thanked the Executive Board members from Antigua and Barbuda, Botswana, the Netherlands and Thailand who had participated in the meeting and also conveyed special thanks to the rapporteur. She noted that it augured well for the future of CCH that the terms of reference for CCH were agreed upon by all three agencies without debate. CCH had reviewed the status of programming in the areas of maternal mortality reduction, vitamin A deficiency, and adolescent reproductive health and agreement had been reached on the key actions required to accelerate programming in each of those areas.

180. The Executive Director stated that CCH had also recommended close cooperation with the World Bank on relevant issues and noted that informal participation of the World Bank on specific agenda items at future meetings would be welcomed. She added that UNFPA was scheduling a meeting with the World Bank to discuss the outcome of the CCH meeting, including how to involve the Bank in follow-up actions to the various CCH recommendations. She noted that the next meeting of CCH would be held in the second half of 1999. She hoped that at that meeting the specific roles and responsibilities of each agency in the follow-up to recommendations would be better defined. She added that one way might be for some of the Executive Board members to examine the programmes of the three agencies in their respective countries in selected areas, such as adolescence and maternal health. The Executive Director concluded by noting that she was convinced that CCH would become an important instrument in helping the three agencies to work together more effectively and efficiently in support of national health and development programmes, particularly national reproductive health programmes.

181. During the ensuing discussion, several delegations stated that they were pleased to note that the inaugural meeting of CCH had taken place and, importantly, that UNFPA was now a part of CCH. Many delegations stressed the importance of implementing the recommendations of CCH at the field level and underscored the need to enhance and strengthen collaboration and coordination among the three CCH organizations at the country level, including in addressing such sensitive issues as adolescent reproductive health, family planning, and unsafe abortion. A number of delegations pointed out that the frequency of CCH meetings should be increased to at least once a year in order to ensure the continuity and impact of the work of CCH. Several delegations emphasized the importance of including the World Bank in CCH and noted that, given the Bank's key role in the health sector, it should be more fully involved in CCH. One delegation asked how CCH would build on existing mechanisms such as the United Nations Development Assistance Framework (UNDAF) process, the theme groups at country level and the Joint United Nations Programme on HIV/AIDS (UNAIDS). Another delegation, while emphasizing that CCH members should have a clear idea of the outcomes desired, stressed that reporting on the progress made by CCH should be included in the annual reports that the three organizations provided to their respective Executive Boards. The same delegation asked specifically how many of the 16 members of CCH came from each of the three Boards. One delegation noted with satisfaction the prominence given to the issue of safe motherhood at the first meeting of CCH and added that it should continue to be accorded high priority. Another delegation asked whether CCH planned to address cross-cutting issues such as safe motherhood and malaria. All the delegations

that made interventions stated that they endorsed the terms of reference of CCH. One delegation noted that the Executive Director of UNFPA had said at the inaugural CCH meeting that she hoped the Committee would deal with the issue of complementarity among the three agencies and with the need for a clear division of labour among the three agencies. The delegation expressed its full support for the position taken by the Executive Director.

182. In her response, the Executive Director noted that the first meeting of CCH was indeed a milestone. She thanked the Executive Board for its key role in ensuring that UNFPA became a member of CCH. She stated that the report of the first meeting would be distributed to all UNFPA field offices and the Fund would discuss with its CCH partners what each would do at the field level in such key areas as, inter alia, safe motherhood, adolescent reproductive health, and maternal mortality reduction. She agreed that safe motherhood should be given high priority. The Executive Director stated that CCH guidelines should be included in the UNDAF process and the agreements of CCH should be implemented by the theme groups in health that were being established at the country level. She also agreed with the suggestion that there should be a common report on the CCH meeting. With regard to coordination at the country level, she suggested that prior to the next meeting it would be useful if Executive Board members that served on CCH could examine, in their respective countries, the effectiveness of coordination among the three CCH organizations. Concerning the participation of the World Bank in CCH, she noted her support and that the issue had also been discussed at the inaugural meeting. CCH was keen that the World Bank participate in its meetings. Preliminary informal discussions between the World Bank and UNFPA suggested that the Bank was interested in participating at a technical level. CCH would continue to discuss how the Bank could be more closely involved in its work. She added that UNAIDS had participated in the first meeting as an observer. She also noted that CCH had also felt that its meetings should be held at least once a year. With regard to the membership, she pointed out that six members came from the WHO Executive Board and five each, respectively, from the UNICEF and UNFPA Executive Boards. That reflected the fact that the WHO Board was composed of six regions while the Boards of UNICEF and UNFPA were composed of five regions each. She agreed that coordination at the country level was essential and noted that one agenda item suggested for the next CCH meeting was an examination of the implementation of CCH recommendations at the field level.

183. The Executive Board took note of the report on the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (DP/FPA/1998/CRP.4) and the comments thereon; and endorsed the Committee's terms of reference as contained in the report.

XII. OTHER MATTERS

Closing statements

184. The Administrator reported that the UNDP 2001 change management process was being pursued vigorously; he would report at greater length at the first regular session 1999. In terms of the current session, he expressed deep appreciation for the decisions on the successor programming arrangements and on the funding

strategy. He said that in order for the funding strategy to be a success it had to be based on a compact between the Executive Board and the administration, with the result that the two would work together. In that regard, he thanked Vice-President Alan March, who had headed up the Open-Ended, Ad Hoc Working Group on the funding strategy for UNDP, for his efforts as well as those of many other delegates who had devoted significant amounts of time and energy to that important issue. He also thanked the President of the Executive Board and the other Vice-Presidents, all of whom had rendered such effective service during their tenures. He thanked several members of the UNDP staff and informed the Board that the Director of the Office of Budget, Mr. Ad De Raad, would be vacating that post and transferring to the headquarters of the United Nations Volunteers in Bonn, Germany. The Administrator noted that Argentina, Australia, Belize, Madagascar, Malaysia, the Netherlands and Romania would not be members of the Executive Board the following year and thanked those delegations for their commitment to the work of the Board.

185. In her concluding remarks, the Executive Director of UNFPA thanked the Executive Board for the very positive dialogue and discussion that had taken place and underscored that UNFPA greatly valued and appreciated the advice and guidance provided by the Board. She stressed the importance of a funding goal of $400 million and noted that serious thought should also be given to a goal of $1.14 billion in the year 2002. She stated that, more importantly, the Board should consider what UNFPA could deliver so that in 10 years time it could look back and see the concrete contribution made in helping to reduce maternal mortality, infant mortality and in increasing the choices and reproductive health and reproductive rights that every woman and every couple around the globe possessed.

186. The Deputy Executive Director (Policy and Administration) thanked the Executive Board for the guidance provided to UNFPA at the current session and throughout the year, in particular for initiating the process that had culminated in the adoption of decision 98/24 on the UNFPA funding strategy. He thanked the President and the Bureau members for their able leadership and paid tribute to the former President of the Board, Mr. Hans Lundborg, for first sowing the idea of a funding strategy for UNFPA and for his dynamic commitment to achieving that goal. He also paid tribute to Vice-President Alan March for his unflagging commitment and tireless efforts in ensuring that the consultative process came to a fruitful end. The Deputy Executive Director reconfirmed the Fund's resolve to work with its partner organizations in the United Nations system and other development partners to fulfil the commitments made in the funding strategy decision. He went on to thank UNFPA and UNDP colleagues, particularly in the secretariat of the Board, as well as all conference officers and interpreters for their contributions in ensuring the success of the session.

187. Both the Executive Director and the Deputy Executive Director wished the Administrator every success in his new undertakings in academia, which would commence the following summer, and reiterated that they would continue to work closely with him until the end of his term.

188. The President of the Executive Board expressed his appreciation to the entire Board for the commitment they had shown during the year. He singled out each of the Vice-Presidents and commended them for the work they had done. He

concluded by expressing gratitude to the Administrator and the Executive Directors of UNFPA and UNOPS and their staffs for the support they had provided him during his term as President of the UNDP/UNFPA Executive Board.

189. The Executive Board concluded its work by adopting the following decision:

98/25. Overview of decisions adopted by the Executive Board at its third regular session 1998

14-16 September and 21-22 September 1998

The Executive Board

Recalls that during the third regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its third regular session 1998 (DP/1998/L.4 and Corr.1) as orally amended;

Approved the reports of the second regular session 1998 and annual session 1998 (DP/1998/15 and DP/1998/27);

Took note of the proposed annual work plan 1999 for the UNDP/UNFPA Executive Board (DP/1998/CRP.10);

Agreed to the following schedule of future sessions of the Executive Board in 1999 subject to the approval of the Committee on Conferences:

First regular session 1999:	25-29 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1999:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

Agreed to the subjects to be discussed at the first regular session 1999 of the Board, as listed in the annex to the present decision;

UNDP SEGMENT

ITEM 2: PROGRESS REPORT ON UNDP 2001

Agreed to postpone consideration of the progress report on UNDP 2001 to the first regular session 1999;

ITEM 3: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the report on the annual review of the financial situation 1997 (including a report on the implementation of the budget for the biennium 1998-1999) (DP/1998/29 and DP/1998/29/Add.1);

Took note of the report on the activities of the Inter-Agency Procurement Services Office (DP/1998/30);

Took note of the 1997 Annual Statistical Report (DP/1998/31);

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on revision of financial regulations of the United Nations Development Programme (DP/1998/37);

Adopted decision 98/18 of 22 September 1998 on the revisions to the UNDP Financial Regulations and Rules;

Took note of the report on United Nations system technical cooperation expenditure 1997 (DP/1998/33 and DP/1998/33/Add.1);

ITEM 4. COUNTRY COOPERATION FRAMEWORK AND RELATED MATTERS

Adopted decision 98/19 of 23 September 1998 on successor programming arrangements;

Approved the following country cooperation frameworks:

I

First country cooperation framework for Burundi (DP/CCF/BDI/1);

First country cooperation framework for Equatorial Guinea (DP/CCF/EQG/1);

II

First country cooperation framework for Costa Rica (DP/CCF/COS/1);

First country cooperation framework for Paraguay (DP/CCF/PAR/1);

Approved the extensions of the following country cooperation framework and country programmes:

I

Extension of the first country cooperation framework for Bangladesh (DP/CCF/BGD/1/EXTENSION I);

II

Second extension of the third country programme for the Cayman Islands (DP/CP/CAY/3/EXTENSION II);

Extension of the fifth country programme for Ecuador (DP/CP/ECU/5/EXTENSION I);

Took note of the oral report on the implementation of the first country cooperation framework for Nigeria;

Took note of the oral report on assistance to the Democratic Republic of the Congo;

ITEM 5. UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Adopted decision 98/20 of 21 September 1998 on the UNOPS revised budget estimates for the biennium 1998-1999;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the UNOPS revised budget estimates for the biennium 1998-1999 (DP/1998/36);

ITEM 6. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

Took note of the oral report on the United Nations Development Fund for Women;

ITEM 7. RESOURCE MOBILIZATION

Adopted decision 98/23 of 23 September 1998 on the funding strategy for UNDP;

UNFPA SEGMENT

ITEM 8. UNFPA: RESOURCE MOBILIZATION

Adopted decision 98/24 of 23 September 1998 on the funding strategy for UNFPA;

ITEM 9. UNFPA: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the report on the UNFPA annual financial review 1997 (DP/FPA/1998/9);

Adopted decision 98/21 of 16 September 1998 on the revision of UNFPA Financial Regulations;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the revision of financial regulations of UNFPA and the review of multi-bilateral trust-fund arrangements of UNFPA (DP/FPA/1998/14);

Adopted decision 98/22 of 22 September 1998 on UNFPA multi-bilateral trust-fund arrangements;

Took note of the progress report on the implementation of the UNFPA 1998-1999 biennial support budget (DP/FPA/1998/12);

ITEM 10. SOUTH-SOUTH COOPERATION

Took note of the progress report on UNFPA support to Partners in Population and Development (DP/FPA/1998/13) and approved the continuing working relationship between UNFPA and the Partners in Population and Development as contained in the report;

ITEM 11. COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the extensions of the following country programmes:

Extension of Assistance to the Government of Pakistan (DP/FPA/PAK/5/EXT 1);

Extension of Assistance to the Government of the Philippines (DP/FPA/PH/4/EXT 1);

Extension of Assistance to the Governments of Kazakhstan, Azerbaijan, Tajikistan, Turkmenistan, Uzbekistan and Kyrgyzstan (DP/FPA/KATTUK/1/EXT 1);

Took note of the oral report on the UNFPA Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries, including the private sector initiative;

ITEM 12. COORDINATING COMMITTEE ON HEALTH

Took note of the report on the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (DP/FPA/1998/CRP.4) and the comments thereon, and endorsed the Committee's terms of reference as contained in the report;

ITEM 13. SECTOR-WIDE APPROACHES

Decided to postpone consideration of the report on UNFPA and sector-wide approaches (DP/FPA/1998/CRP.5) to the second regular session 1999 of the Executive Board;

ITEM 14. OTHER MATTERS

Decided to postpone the review of the reports on the field visits to Bangladesh, Tunisia and Lebanon, and South Africa (DP/1998/CRP.13; DP/1998/CRP.14; and DP/1998/CRP.15) to the first regular session 1999.

23 September 1998

Annex

EXECUTIVE BOARD OF UNDP/UNFPA

DRAFT WORK PLAN 1999

First regular session 1999 (25-29 January 1999)

(5 working days)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
1				ORGANIZATIONAL MATTERS
		A		Election of the Bureau for 1999
	Official (DP/1999/L.1)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the third regular session 1998
	Official	I	½ day	Decisions adopted by the Executive Board in 1998
	CRP	A		Annual work plan 1999 for UNDP/UNFPA Executive Board (96/25)
				JOINT UNDP/UNFPA SEGMENT
2				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	½ day	Updated overview of implementation of recommendations of the Board of Auditors (97/2 and 97/3)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
				UNDP SEGMENT
3			1 day	UNDP 2001
	CRP	I		Progress report on implementation of change management (97/15)
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	CRP	A		Follow-up to decision 98/19 on successor programming arrangements
	Official	A		Country cooperation frameworks
				INFORMATION AND COMMUNICATION STRATEGY
5	Oral	I	½ day	Presentation on key areas of communication needs (98/15)
6				SPECIAL FUNDS AND PROGRAMMES
	Official	I	1 day	Reports on activities of the Global Environment Facility, Montreal Protocol, the Office to Combat Desertification and Drought (UNSO) and the United Nations Revolving Fund for Natural Resources Exploration (92/2)
7				RESOURCE MOBILIZATION
	CRP	A	½ day	Follow-up to decision 98/23 on UNDP funding strategy
8				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
		A		Report on UNDP financial risk assessment

Annex I

DECISIONS ADOPTED BY THE EXECUTIVE BOARD IN 1998

98/1. Narrowing the focus of United Nations Development Programme interventions

The Executive Board

1. Takes note of the report of the Administrator on narrowing the focus (DP/1998/5) and the comments made thereon;

2. Reaffirms that assistance to programme countries in their endeavour to realize sustainable human development, in line with their national development programmes and priorities, should remain the highest priority of the United Nations Development Programme, and that this assistance should be responsive and flexible, and must be based on the development plans and priorities of the programme countries and on the priorities set by the Executive Board;

3. Reaffirms the neutrality, multilateralism and universality of the United Nations Development Programme;

4. Emphasizes that coherence and focus is necessary to achieve the objectives of impact, sustainability, efficiency and effectiveness of the United Nations Development Programme interventions at the country level; and that the adoption of the programme approach should lead to fewer and larger interventions while allowing the Programme to assist programme countries in launching and piloting innovative projects;

5. Requests the United Nations Development Programme to develop further its expertise in providing capacity development assistance to programme countries in their pursuit of poverty eradication and their promotion of people's participation in development;

6. Underlines that a clear profile of the United Nations Development Programme role in each individual programme country and at the global level will facilitate the resource mobilization efforts of the Programme;

7. Recognizes the ongoing effort within the United Nations Development Programme to identify an indicative list of core development services;

8. Requests the United Nations Development Programme to cooperate to the maximum extent possible with all actors in the field of development cooperation, in particular the United Nations funds, programmes and specialized agencies, in order to foster synergies, avoid duplication and make optimal use of available resources;

9. Endorses on this basis the guiding principles contained in paragraphs 20 to 40 of document DP/1998/5;

10. Decides that the guiding principles should be applied to all country, regional and global cooperation frameworks as well as to sub-elements of these frameworks, taking into account the specific conditions of programme countries, whether funded from core resources or non-core resources;

11. Requests the Administrator to operationalize the guiding principles, including a mechanism for implementation, impact measurement and evaluation, and to incorporate the guiding principles into the new programming manual of the United Nations Development Programme;

12. Requests the Administrator to ensure that all future presentations to the Executive Board of country, regional and global cooperation frameworks, beginning at the first regular session in 1999, as well as reviews and evaluations of these frameworks, are structured in a manner that clearly describes how each of the guiding principles are applied;

13. Requests the Administrator to report at its annual session 2000 on all aspects of progress in the operationalization of the guiding principles, including the mechanism for implementation, impact measurement and evaluation.

23 January 1998

98/2. Review of policy implications of change and non-core funding

The Executive Board

1. Recalls General Assembly resolutions 47/199, 50/120, 50/227 and 52/203, Economic and Social Council resolution 97/59, and its decision 90/14, 95/23 and its decision 97/15 on change management, particularly paragraphs 9 and 10 thereof;

2. Welcomes the report of the Administrator (DP/1999/3) and takes note of the comments made thereon by delegations;

3. Reaffirms that the fundamental characteristics of the operational activities of the United Nations Development Programme should be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism;

4. Emphasizes the role of the United Nations Development Programme as a development partner and facilitator in responding to development needs, including the assistance in mobilizing funds in support of programme country development priorities from all available sources;

5. Recalls that core resources are the bedrock of the United Nations Development Programme and that they ensure universality, predictability, neutrality and multilateralism at the United Nations Development Programme as well as the ability to respond in a flexible way to the needs of programme countries, in particular those of least developed countries and low-income countries;

6. Expresses deep concern on the decline in core resources and the negative impact of this decline on the future work of the United Nations Development Programme and requests that the respective proportions of core and non-core resources be kept under review;

7. Recognizes the importance of non-core resources, including cost-sharing and non-traditional sources of financing, as a mechanism to enhance the capacity and supplement the means of the United Nations Development Programme to achieve the goals and priorities specified in decision 94/14;

8. Reaffirms the role of the United Nations Development Programme at the country level in providing a range of support services for national execution and the implementation of the projects of the United Nations Development Programme, including those funded by non-core resources, within the parameters below:

(a) Support will be provided only at the request of programme country Governments;

(b) Support will be provided only for activities within the country cooperation framework and the sustainable human development framework;

(c) Support will be provided based on a thorough capacity assessment of the executing agent, particularly with regard to administrative and operational management capacity and with regard to full accountability for funds managed by the United Nations Development Programme;

(d) Support will be accompanied by appropriate capacity-building measures, including clear exit strategies to ensure that long-term capacity-building objectives are achieved;

(e) As part of the revision of the national execution procedures, appropriate instruments will be put in place to improve the monitoring and the evaluation of such services, including obligatory annexes to all project documents stating the nature and scope of such support as well as the functions and responsibilities of the parties involved;

(f) At the request of the Government of the programme country, the United Nations Development Programme will take systematically into account services that can be provided by United Nations specialized agencies or other relevant execution, implementing and procurement agents;

(g) In accordance with Executive Board decision 94/28, the role of the United Nations Development Programme as executing agent shall remain limited to countries in special circumstances and apply only when it can be demonstrated that it is essential to safeguard the full responsibility and accountability of the Administrator for effective programme and project delivery;

9. Requests that, when the United Nations Development Programme develops, implements and manages activities funded by non-core resources, in an integrated, transparent, flexible and accountable manner, the additional costs resulting from non-core-funded activities be fully recovered and requests also that these activities and their support costs be systematically identified in the cooperation frameworks;

10. Requests the Administrator to submit to the Executive Board at its annual session 2001 an evaluation, in consultation with programme countries,

relevant units of the United Nations system and with members of the Board, on all aspects of activities funded by non-core resources, including government cost-sharing, and on their impact on national capacities, particularly concerning the modalities applied by the United Nations Development Programme;

11. Decides to keep the trends and impact of non-core resources under close review and to this end requests the Administrator, in the context of his annual report, to provide comprehensive information thereon, including on their amount, origin, destination and influence on programming.

23 January 1998

98/3. Funding strategy for the United Nations Development Programme

The Executive Board

1. Takes note of the report of the Administrator on moving towards a sustainable funding strategy for the United Nations Development Programme (DP/1997/CRP.23) and the comments made during the Executive Board discussion;

2. Reaffirms that core resources are the bedrock of the United Nations Development Programme and that they ensure the universality, predictability, neutrality and multilateralism of the Programme as well as the ability to respond in a flexible way to the needs of programme countries, in particular those of the least developed countries and low-income countries;

3. Notes with concern that, despite significant improvements in efficiency at the United Nations Development Programme, core resources declined during the previous programming cycles and fall short of the initial planning figure set in decision 95/23 and of the increasing needs of programme countries; and notes with appreciation the contribution of programme countries to core resources of the Programme; and notes that, despite contributions from a new set of member countries, core funding remains dependent on a limited number of donors; that to manage this funding shortfall, the Administrator extended the implementation phase of some country programmes; and that further programme delays may affect programme results and the credibility of the Programme as a reliable development partner;

4. Recognizes that core and non-core resources are components of the United Nations Development Programme funding; that urgent action by the Executive Board is needed to deal with the funding situation in the short and longer terms; that a clearer profile of the role of the Programme at all levels is needed; and that, simultaneously, in accordance with General Assembly resolution 50/227 and Economic and Social Council resolution 1997/59, the Executive Board needs to set specific and realistic targets for core resources and decide on a future funding mechanism to make the funding of the Programme more secure and predictable;

5. Recognizes that positive results of the efforts to narrow the focus of United Nations Development Programme activities will play an important role in mobilizing core resources for the Programme in the future;

6. Requests the Administrator to present to the Executive Board, at its second regular session 1998, a three-year financial forecast outlining the financial commitments as of 31 December 1997 entered into by the United Nations Development Programme as a result of Board decisions on country cooperation frameworks, regional and global programmes, and other policy, administrative, and reform measures; and to ensure that the financial implications of all future programming, administrative, and policy recommendations brought for Board approval are presented to the Board prior to their adoption;

I. SHORT-TERM ACTION

7. Urges all member countries, in particular the donors and other countries in a position to do so, to contribute additional funds to United Nations Development Programme core resources and to make early payment of their contributions;

8. Requests the Administrator to ensure that, in the short term, administrative costs will be maintained at levels currently agreed upon, as per decision 97/24, and that all additional contributions to core resources will be used exclusively to implement United Nations Development Programme development activities;

II. DEVELOPING A SUSTAINABLE FUNDING STRATEGY FOR UNDP

9. Decides, taking fully into account discussions in other forums, to convene an open-ended, ad hoc working group on the United Nations Development Programme funding strategy and requests the President of the Bureau of the United Nations Development Programme Executive Board to appoint a Bureau Vice-President to serve as chairperson, and requests the Secretary of the Executive Board, and other relevant Programme divisions, to facilitate and support the working group deliberations;

10. Decides that the mandate of the open-ended, ad hoc working group shall be:

(a) A review of various funding mechanisms as well as other options for the United Nations Development Programme so as to place the funding of the Programme on a predictable, assured, and continuous basis, taking into account various budgetary processes in contributing countries, as well as the need for more equitable burden-sharing among donor countries;

(b) Development of guidelines and criteria to set funding targets for the United Nations Development Programme core resources, based in particular on: (i) the goals and priorities of the Programme as specified in decisions 94/14 and 95/23; (ii) the development needs and priorities of programme countries as identified in country cooperation frameworks; (iii) projected core contributions; (iv) the funding role of the Programme within the larger context of international development financing; and (v) existing long-term commitments and strategies;

11. Acknowledges the relevance of upcoming Executive Board discussions on the successor programming arrangements, including the review of the current eligibility criteria for the allocation of core resources to programme countries, and the need for a clear institutional profile to increase public awareness and generate support, and to develop an effective communication and information strategy to be used in advocacy work for the United Nations Development Programme;

12. Requests the Administrator to ensure that close coordination and consultation with similar efforts undertaken by other United Nations funds and programmes will be provided for throughout the work of the working group to ensure, to the extent possible, consistency in approaches and mechanisms adopted by the Executive Boards of United Nations funds and programmes to respond to the mandates of the General Assembly and the Economic and Social Council;

13. Requests the President of the Executive Board to report to the Board on the progress achieved by the open-ended, ad hoc, working group, at each upcoming session of the Board with a view to adopting a decision on a sustainable funding strategy at its third regular session 1998.

23 January 1998

98/4. Overview of decisions adopted by the Executive Board at its first regular session 1998

The Executive Board

Recalls that during the first regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Elected the following Bureau for 1998:

President	H.E. Mr. Jacob Botwe Wilmot (Ghana)
Vice-President	Dr. Atul Khare (India)
Vice-President	Mr. Volodymyr Reshetnyak (Ukraine)
Vice-President	H.E. Dr. John W. Ashe (Antigua and Barbuda)
Vice-President	Mr. Alan March (Australia)

Approved the agenda and work plan for its first regular session 1998 (DP/1998/L.1) as orally amended;

Approved the report of the third regular session 1997 (DP/1998/1);

Approved the annual work plan 1998 for UNDP/UNFPA Executive Board as orally amended and annexed to the present decision;

Agreed to the following schedule of future sessions of the Executive Board in 1998 subject to the approval of the Committee on Conferences:

Second regular session 1998:	20-24 April 1998
Annual session 1998:	8-19 June 1998 (Geneva)
Third regular session 1998:	14-18 September 1998

Agreed to the following tentative schedule of future sessions of the Executive Board in 1999:

First regular session 1999:	11-15 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1999:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

Agreed to the subjects to be discussed at the second regular session 1998 of the Board, as listed in the annexed work plan;

UNDP/UNFPA SEGMENT

ITEM 2: RECOMMENDATIONS OF THE BOARD OF AUDITORS

Took note of the UNDP report on follow-up to recommendations of the report of the Board of Auditors for the biennium 1994-1995 (DP/1998/4);

Took note of the UNFPA report on follow-up of the report of the Board of Auditors for 1994-1995: status of implementation of recommendations (DP/FPA/1998/1);

UNFPA SEGMENT

ITEM 3: UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the following country and subregional programmes:

Paraguay (DP/FPA/CP/195);

China (DP/FPA/CP/196);

Nicaragua (DP/FPA/CP/197);

Egypt (DP/FPA/CP/198);

Algeria (DP/FPA/CP/199);

Pacific subregion (DP/FPA/CP/200);

Requested the Executive Director to report regularly to the Executive Board on the implementation of significant elements of the above programmes, including progress in meeting the principles and goals of the Programme of Action of the International Conference on Population and Development;

UNDP SEGMENT

ITEM 4: UNDP 2001

Took note of the oral report of the Administrator on the implementation of change management;

Adopted decision 98/1 of 23 January 1998 on narrowing the focus of United Nations Development Programme interventions;

ITEM 5: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Approved the implementation strategy for the first regional cooperation framework for Africa (1997-2001) (DP/1998/6);

Approved the implementation strategy for the first regional cooperation framework for the Arab States (1997-2001) (DP/1998/7 and Corr.1);

Approved the implementation strategy for the first regional cooperation framework for Asia and the Pacific (1997-2001) (DP/1998/8);

Approved the implementation strategy for the first regional cooperation framework for Europe and the Commonwealth of Independent States (1997-1999) (DP/1998/9);

Approved the implementation strategy for the first regional cooperation framework for Latin America and the Caribbean (1997-1999) (DP/1998/10);

Approved the following country cooperation frameworks and country programme extension:

I

First country cooperation framework for Cape Verde (DP/CCF/CVI/1);

First country cooperation framework for Ghana (DP/CCF/GHA/1);

First country cooperation framework for Mozambique (DP/CCF/MOZ/1);

Second extension of the sixth country programme for Kenya (DP/CP/KEN/6/EXTENSION II)

II

First country cooperation framework for Algeria (DP/CCF/ALG/1);

First country cooperation framework for the Libyan Arab Jamahiriya (DP/CCF/LIB/1);

III

First country cooperation framework for the Cook Islands (DP/CCF/CKI/1);

First country cooperation framework for the Republic of Korea (DP/CCF/ROK/1);

First country cooperation framework for Tokelau (DP/CCF/TOK/1);

IV

First country cooperation framework for Guatemala (DP/CCF/GUA/1);

First country cooperation framework for Nicaragua (DP/CCF/NIC/1);

Took note of the report of the Administrator on UNDP assistance to Myanmar contained in document DP/1998/11 and decided to consider, at its annual session 1998, a proposal for future UNDP assistance to Myanmar in conformity with Governing Council decision 93/21 and Executive Board decision 96/1;

ITEM 6: UNDP: RESOURCE MOBILIZATION

Adopted decision 98/2 of 23 January 1998 on the review of policy implications of change and non-core funding;

Adopted decision 98/3 of 23 January 1998 on funding strategy for the United Nations Development Programme;

Decided to postpone consideration of the report on the review of the round-table process (DP/1998/CRP.2) to its annual session 1998;

ITEM 7: OTHER MATTERS

Endorsed the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries (DP/1998/CRP.4);

Took note of the report on UNDP follow-up to World Trade Organization initiatives for least developed countries (DP/1998/CRP.5);

Took note of the oral report on the results of the first session of the Conference of Parties of the Convention to Combat Desertification;

Took note of the oral report on the outcome of the ad hoc thematic meeting of the Joint United Nations Programme on HIV/AIDS Coordinating Board held in Nairobi from 16 to 18 November 1997;

Took note of the oral report by the Associate Administrator on the utilization of resources for target for resource assignment from the core (TRAC) line 1.1.3.

23 January 1998

Annex

DRAFT WORK PLAN FOR THE EXECUTIVE BOARD IN 1998

INTRODUCTION

1. In its decision 96/25, the Executive Board decided, inter alia, to introduce an annual work plan for the Executive Board. The present document contains a list of priority issues for UNDP and UNFPA for 1998, and proposes a draft work plan for the Executive Board, taking into account these priority issues as well as the legislation and guidelines established by the Executive Board and discussions held at the third regular session 1997 of the Executive Board.

UNDP

2. For UNDP, the biennium 1998-1999 will be one of implementation and consolidation of legislation adopted and initiatives taken during the current biennium. Priority will be given to implementation of the change management process and the new programming framework, as well as to the mobilization of support and resources for poverty eradication programmes. Within the change management process, the focus will be on three major areas: enhanced country focus; effectiveness and impact; and efficiency, accountability and good management. Strategy evaluations will be undertaken and presented to the Board as and when they are completed.

3. As decided by the Executive Board in 1996, the reports on special funds managed by UNDP are considered on a rotational basis. In 1998, it is proposed that the Board review the report on the United Nations Volunteers.

UNFPA

4. UNFPA priorities for 1998 are fivefold: (a) to increase the Fund's resource base on a more predictable, assured and continuous basis; (b) to continue to evaluate and to increase the effectiveness of programmes throughout the world; (c) to continue to implement new programme priorities and the new approach for resource allocation as contained in Executive Board decisions 95/15 and 96/15, respectively; (d) to improve the manner in which the Fund's programmes address absorptive capacity and resource utilization in programme countries; and (e) to collaborate in the implementation of United Nations system-wide reform efforts. UNFPA will also collaborate with other relevant bodies in preparing for the ICPD +5 initiatives scheduled for 1999.

UNDP PRIORITY ISSUES FOR 1998

ISSUE	FOLLOW-UP	REPORT TYPE	SESSION
A. Implementation of UNDP 2001	UNDP 2001: Progress report and strategy for implementing next steps, ensuring synergy with the United Nations reforms (97/15 para 21)	Oral	First and annual
	Analysis of the introduction of subregional resource facilities (97/15 para 16)	Official	Annual
B. Implementation of the new programming framework	Implementation strategy for each regional cooperation framework, including performance measurement methodology and timetable for mid-term appraisal	Official	First
	Review of implementation of the programming cycle	Official	Third
	Analysis of results in accelerating programme delivery and strategic options for the future	Official	Third
C. Ensuring programme quality	Strategy for narrowing UNDP priority areas of focus, building on the September 1997 workshop	Official	First
D. Funding strategies and outreach	Strategy for increasing UNDP core resources and creating a more sustainable funding base	CRP	First
	Assessment of lessons learned in mobilizing core as well as non-core resources and strategic options for the future	Official	First
	Options for improving the UNDP communication and information policy as a tool for mobilizing resources and increasing public awareness of UNDP value-added and impact	Official	Annual

UNFPA PRIORITY ISSUES FOR 1998

ISSUE	FOLLOW-UP	REPORT TYPE	SESSION
A. Increase resource base	Further develop resource strategy Explore innovative funding mechanisms Explore ways to ensure stable, predictable income	Official a/	Annual
B. Operationalization of core programme areas	Focus on adolescent reproductive health	Official a/	Annual
	Implement information strategy and advocacy activities	Oral	Annual
	Translate into specific activities at country level	Official b/	Second and third
	Promote involvement of national non-governmental organizations	Official a/	Annual
	Conduct thematic and programme evaluations	Official	Annual
C. Implementation of resource allocation approach	Country programming process	Official b/	Second, third and annual
D. Strengthening of internal oversight, audit and accountability	Increase number and quality of management audits and policy application reviews	Official a/	Annual
E. Preparations for ICPD + 5	Status report on preparations	Oral c/	Second and annual
F. Study of absorptive capacity and resource utilization in programme countries	Recommendations on concrete operational measures	Official	Annual

a/ Reported on in the context of the annual report
b/ Reflected in country programmes and in the annual report
c/ May be taken up at the second regular session and/or annual session

EXECUTIVE BOARD OF UNDP/UNFPA
TENTATIVE AGENDA FOR 1998

Table 1. First regular session 1998 (19-23 January 1998
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
			½ day	Election of the Bureau
	Official (DP/1998/L.1)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the third regular session 1997
	Official	I		Decisions adopted by the Executive Board in 1997
	CRP[*]	A		Annual work plan 1998 for UNDP/UNFPA Executive Board (96/25)
2				UNFPA/UNDP SEGMENT
	Official	A/I		Updated overview of implementation of recommendations of the Board of Auditors (97/2 and 97/3
				UNFPA SEGMENT
3	Official	A	½ day	UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS
				UNDP SEGMENT
4				UNDP 2001:
	Oral	I	½ day	Follow-up to decision 97/15 - Progress report
	Official	A		Narrowing the focus (97/15)

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[*] An official report will be prepared in-session on the basis of the conference room paper.

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
5				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1 day	Implementation strategy papers for regional cooperation frameworks (97/9)
				Country cooperation frameworks
				Assistance to Myanmar (96/1)
6				RESOURCE MOBILIZATION
	CRP	A/I	½ days	UNDP resources and funding strategy options: "Towards a sustainable funding strategy for UNDP"
	CRP	I		Review of round-table process
	Official	A		Review of modalities of non-core resources (96/44) including follow-up to 97/15 para. 23
7			½ day	OTHER MATTERS
				UNDP/UNFPA/UNICEF JOINT SESSION
	Oral	I	½ day	Exchange of views on the impact of overall United Nations reform on the funds and programmes

Abbreviations: A = action; CRP = conference room paper; and I = information.

Table 2. Second regular session 1998 (20-24 April 1998)
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.2)	A	½ day	Provisional agenda, annotations, list of documents
	Official	A		Report on the first regular session 1998
				Decisions adopted by the Executive Board at its first regular session 1998
				UNDP/UNFPA SEGMENT
2	Official	A	½ day	REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL
				UNDP SEGMENT
3	Official	A	1 day	Country cooperation frameworks and related matters
				UNFPA SEGMENT
4	Official	A	1½ days	Country programmes and related matters
5				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Oral	I	½ day	Criteria and mechanisms for budget adjustments in the event of any significant shortfall in income (97/26)
6				TECHNICAL SUPPORT SERVICES
	Oral	I	½ day	Review of "Report on an assessment of the TSS specialist posts at headquarters and regional levels" (97/27)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
7				STAFF TRAINING ACTIVITIES
	Oral	I	¼ day	Status report on the implementation of evaluation recommendations (97/29)
8				RESOURCE MOBILIZATION
	Official	A	½ day	Consequences of resource shortfalls in achieving ICPD goals (97/29)
9				OTHER MATTERS including:
	Oral	I	¼ day	Update on Coordinating Committee on Health

Abbreviations: A = action; CRP = conference room paper; and I = information.

Table 3. Annual session 1998 (8-19 June 1998)
(10 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.3)	A	1½ days	Provisional agenda, annotations, list of documents/work plan
	Official	A		Report on the second regular session 1998
				Decisions adopted by the Executive Board at its second regular session 1998
				UNFPA SEGMENT
2	Official	I		REPORT OF THE EXECUTIVE DIRECTOR FOR 1997
				Introduction by the Executive Director
				Programme priorities and implementation
				Resource mobilization
				Global Contraceptive Commodity Programme/Global Initiative on Contraceptive Requirements
				Regional overview
				Statistical annex
3	Official	A	½ day	ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION (96/27)
4	Official	A	½ day	WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY
5	Official	I	½ day	PERIODIC REPORT ON EVALUATION

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
6			½ day	**INFORMATION AND COMMUNICATION STRATEGY**
	Oral	I		Implementation of decision 97/13
7	Oral	I		**REPORT ON STATUS OF THE COORDINATING COMMITTEE ON HEALTH**
				UNDP SEGMENT
8			2 days	**ANNUAL REPORT OF THE ADMINISTRATOR**
	Official	A		Introduction by the Administrator
	Official	A		Main programme record, including reporting on special funds
	Official	I		Assistance to the Palestinian people
	Official	I		The United Nations New Agenda for Development in Africa and the Special Initiative for Africa
	Official	I		Reports of the Joint Inspection Unit
	Official	I		Statistical annex
9	CRP	I	½ day	UNDP 2001: Follow up to decision 97/15 para 16 (Interim report on SURFs)
10	Official	I		Follow-up to the United Nations Reform including transfer to the United Nations Development Programme of the responsibilities of the Emergency Relief Coordinator for natural disaster mitigation, prevention and preparedness
11	Official	I	½ day	**EVALUATION**

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
12	Official	I/A	½ day	UNITED NATIONS VOLUNTEERS
13			½ day	RESOURCE MOBILIZATION (including review of round-table process)
14	Official		½ day	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS (including Assistance to Myanmar)
15			½ day	COMMUNICATION AND INFORMATION POLICY
	Official	I		Follow up to decision 97/17 (para 10)
16				UNITED NATIONS OFFICE FOR PROJECT SERVICES
	Official	A	½ day	Report on the United Nations Office for Project Services (96/33)
	Official			Report on follow-up on recommendations of the Board of Auditors on UNOPS (97/23)
				UNDP/UNFPA SEGMENT
17	Oral	I	½ day	Reports on internal oversight
18			½ day	OTHER MATTERS including:
				- Briefing on UNAIDS
*				

* **NOTE:** A Special Event on 1998 State of World Population report will be organized by UNFPA for half a day.

Abbreviations: A = action; CRP = conference room paper; I = information; and ICPD = International Conference on Population and Development.

Table 4. Third regular session 1998 (14-18 September 1998)
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.4)	A	½ day	Provisional agenda, annotations, list of documents
	Official	A		Report on the annual session 1998
	CRP	I		Decisions adopted by the Executive Board at the annual session 1998
				Outline for Executive Board work plan 1999
				UNDP SEGMENT
2				UNDP 2001 : Progress report
3				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I/A	1 day	Report on the implementation of the budget for biennium 1998-1999 (97/24)
	Official	I		Annual review of the financial situation 1997
		I		Activities of the Inter-Agency Procurement Services Office
				Subcontracts awarded and major equipment ordered
				Review and revision of UNDP Financial Regulations and Rules

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A		Review of implementation of the new programming cycle
	Oral	I	1 day	Report on implementation of the first country cooperation framework for Nigeria (97/25)
	Official			Country cooperation frameworks
5				UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A	½ day	Revised budget estimates for the biennium 1996-1997
	Official	I		Audit reports
6	Oral			UNIFEM (97/18)
7			½ day	RESOURCE MOBILIZATION
				UNFPA SEGMENT
8				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I		Annual financial review, 1997
	Official	I		Status of financial implementation of country programmes
	Official	I	1 day	Multi-bilateral and trust fund arrangements (97/26)
	Official	I		Progress in implementing the support budget for 1998-1999 (97/26)
9				SOUTH-SOUTH COOPERATION
	Official	A		"Partners in Population and Development " (96/9)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
10	Official	A	½ day	COUNTRY PROGRAMMES AND RELATED MATTERS
11				OTHER MATTERS including:
				- Field visits
	Oral	I		- Status report on the Coordinating Committee on Health

Abbreviations: A = action; CRP = conference room paper; I = information; and UNOPS = United Nations Office for Project Services.

98/5. UNDP/UNFPA reports to the Economic and Social Council

The Executive Board

1. Takes note of the reports to the Economic and Social Council (DP/1998/14 and Corr.1 and DP/FPA/1998/2 and Corr.1 (French only)) and of the recommendations therein and decides to transmit them to the Economic and Social Council, together with the comments made by delegations and statements and answers given by the Administrator of the United Nations Development Programme and the Executive Director of the United Nations Population Fund at the present session;

2. Calls on the Administrator and Executive Director to provide in future reports to the Economic and Social Council: a thorough analysis of problems encountered and lessons learned in the field; a focus on issues that will permit the Council to fulfil its coordinating role; and, in this context, to present relevant statistical data in a consolidated manner;

3. Invites the Administrator and Executive Director to consult with other members of the United Nations Development Group on a consolidated list of issues central to the improved coordination of operational activities for submission to and consideration by the Economic and Social Council during its 1998 substantive session;

4. Also invites the Economic and Social Council to recommend, at its 1998 substantive session, actions intended to increase the usefulness of these reports as inputs to the deliberations of the Economic and Social Council, as called for in General Assembly resolution 48/162, by *inter alia*, considering whether any issues in the current format are suitable for joint recommendations by the funds and programmes.

24 April 1998

98/6. UNFPA technical support services

The Executive Board

1. Takes note of the Report on an Assessment of the Technical Support Services (TSS) Specialist Posts at Headquarters and Regional Levels (an independent evaluation report prepared for the United Nations Population Fund in 1997) and of the report of the Executive Director on the UNFPA technical support services system (DP/FPA/1997/16), submitted to the Executive Board at its third regular session 1997, and in light of Executive Board decision 97/27;

2. Authorizes the continued funding of the TSS specialist posts until 31 December 1999 as proposed in document DP/FPA/1997/16;

3. Requests the Executive Director of the United Nations Population Fund to continue actively to seek workable solutions to the concerns raised in the independent evaluation report in dialogue with partner organizations, in particular on coordination, accountability, the communication between the three

levels of the system and advocacy function of TSS specialists in the partner organizations;

4. Also requests the Executive Director of the United Nations Population Fund to submit at the second regular session 1999 a brief progress report on the effectiveness of the improvements that have been implemented in the operation of the TSS system since the third regular session 1997;

5. Invites the Executive Director of the United Nations Population Fund, in light of the recommendations arising from the ICPD+5 process and in consultation with partner agencies, to develop future options for (a) providing specialist support and advice to country support teams and country programmes through arrangements that utilize the best expertise available within the United Nations system and from other sources and (b) enhancing the involvement and contribution of relevant United Nations specialized agencies in taking forward and promoting the ICPD agenda;

6. Requests the Executive Director of the United Nations Population Fund to present these proposals in a report, including an analysis of the financial and budgetary aspects, to the Executive Board at its third regular session in 1999.

24 April 1998

98/7. Resource mobilization strategy for the United Nations Population Fund

The Executive Board

1. Takes note of the report of the Executive Director on Mobilizing Resources Now and for the Future: UNFPA's Strategy (DP/FPA/1998/CRP.2);

2. Invites the Executive Director to update the conference room paper on Mobilizing Resources Now and for the Future: UNFPA's Strategy (DP/FPA/1998/CRP.2) and to report to the Executive Board at its annual session 1998;

3. Requests the Executive Director to organize informal intersessional meetings of the Board with a view to reviewing various funding mechanisms for the United Nations Population Fund and also requests the Executive Director to report to the Board on progress made in the informal intersessional meetings with a view to adopting at its third regular session 1998 a decision on a sustainable funding strategy that will place the funding of the United Nations Population Fund on a predictable, assured and continuous basis so as to enable it to play a central role in the follow-up to the Programme of Action of the International Conference on Population and Development.

24 April 1998

98/8. Approval of recruitment of country representatives

The Executive Board

1. Recalls Executive Board decision 97/26;

2. Takes note of the Executive Director's comments together with the comments made by delegations on this matter;

3. Authorizes the Executive Director of UNFPA to begin recruitment of seven country representatives, as proposed in decision 97/26, in line with the availability of resources;

4. Requests the Executive Director to table in writing a financial update to the Board at its annual session.

24 April 1998

98/9. Overview of decisions adopted by the Executive Board at its second regular session 1998

The Executive Board

Recalls that during the second regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its second regular session 1998 (DP/1998/L.2) as orally amended;

Approved the report on the first regular session 1998 (DP/1998/12 and Corr.1);

Approved that part of the report on the second regular session (contained in documents DP/1998/L.15 and DP/1998/L.16) concerning the reports to the Economic and Social Council (DP/1998/14 and Corr.1 and DP/FPA/1998/2 and Corr.1 (French only));

Agreed to the following schedule of future sessions of the Executive Board in 1998 and 1999 subject to the approval of the Committee on Conferences:

Annual session 1998:	8-19 June 1998 (Geneva)
Third regular session 1998:	14-18 September 1998
First regular session 1999:	25-29 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1998:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

Agreed to the subjects to be discussed at the annual session 1998 of the Board, as listed in the annexed work plan;

UNDP/UNFPA SEGMENT

ITEM 2: REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

Adopted decision 98/5 of 24 April 1998 on the reports to the Economic and Social Council;

UNDP SEGMENT

ITEM 3: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Took note of the report on the three-year financial forecast outlining the financial commitments as of 31 December 1997 (DP/1998/CRP.6);

Approved the following country cooperation frameworks and country programme extensions:

I

First country cooperation framework for Côte d'Ivoire (DP/CCF/IVC/1);
First country cooperation framework for Gambia (DP/CCF/GAM/1);
First country cooperation framework for Guinea (DP/CCF/GUI/1);
First country cooperation framework for Mali (DP/CCF/MLI/1 and Corr.1 (English only));
First country cooperation framework for Rwanda (DP/CCF/RWA/1);
First country cooperation framework for Togo (DP/CCF/TOG/1);
First extension of the fifth country programme for Niger (DP/CP/NER/5/EXTENSION I);

II

First country cooperation framework for Bahrain (DP/CCF/BAH/1);

III

First country cooperation framework for Albania (DP/CCF/ALB/1);

IV

First country cooperation framework for Bolivia (DP/CCF/BOL/1);
First country cooperation framework for the Turks and Caicos Islands (DP/CCF/TCI/1);
Second extension of the third country programme for Antigua and Barbuda (DP/CP/ANT/3/EXTENSION II);
Second extension of the fifth country programme for Haiti (DP/CP/HAI/5/EXTENSION II);

UNFPA SEGMENT

ITEM 4: UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the following country programmes:

I

Assistance to the Government of Botswana (DP/FPA/BWA/3);
Assistance to the Government of Cameroon (DP/FPA/CMR/3);
Assistance to the Government of Equatorial Guinea (DP/FPA/GNQ/3);
Assistance to the Government of Ethiopia (DP/FPA/ETH/4);
Assistance to the Government of Gabon (DP/FPA/GAB/3);
Assistance to the Government of Guinea-Bissau (DP/FPA/GNB/3);
Assistance to the Government of Lesotho (DP/FPA/LSO/3);
Assistance to the Government of Mali (DP/FPA/MLI/4);
Assistance to the Government of Mauritania (DP/FPA/MRT/4);
Assistance to the Government of Mozambique (DP/FPA/MOZ/5);
Assistance to the Government of Niger (DP/FPA/NER/4);
Assistance to the Government of Rwanda (DP/FPA/RWA/4);
Assistance to the Government of Sao Tome and Principe (DP/FPA/STP/3);
Assistance to the Government of South Africa (DP/FPA/ZAF/1);
Assistance to the Government of Swaziland (DP/FPA/SWZ/3);

II

Assistance to the Government of Jordan (DP/FPA/JOR/5);
Assistance to the Government of Yemen (DP/FPA/YEM/2);

III

Assistance to the Government of Bangladesh (DP/FPA/BGD/5);
Assistance to the Government of Bhutan (DP/FPA/BTN/3);
Assistance to the Government of the Democratic People's Republic of Korea (DP/FPA/PRK/3);
Extension of assistance to the Government of the Islamic Republic of Iran (DP/FPA/IRN/2/EXT1);
Assistance to the Government of Maldives (DP/FPA/MDV/2);
Assistance to the Government of Papua New Guinea (DP/FPA/PNG/2);
Assistance to the Government of Thailand (DP/FPA/THA/7);

Assistance to the Government of Bolivia (DP/FPA/BOL/2);
Assistance to the Government of Brazil (DP/FPA/BRA/2);
Assistance to the Government of Colombia (DP/FPA/COL/3);

ITEM 5: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the oral report on the criteria and mechanisms for budget adjustments in the event of any significant shortfall in income (97/26);

Adopted decision 98/8 of 24 April 1998 on approval of recruitment of UNFPA country representatives;

ITEM 6: TECHNICAL SUPPORT SERVICES

Adopted decision 98/6 of 24 April 1998 on UNFPA technical support services;

ITEM 7: STAFF TRAINING ACTIVITIES

Took note of the oral report on the implementation of evaluation recommendations (97/29) on UNFPA staff training activities;

ITEM 8: RESOURCE MOBILIZATION

Adopted decision 98/7 of 24 April 1998 on a resource mobilization strategy for the United Nations Population Fund;

ITEM 9: OTHER MATTERS

Took note of the progress report on change management;

Confirmed the nomination of Botswana from the African Group to represent the Executive Board on the WHO/UNICEF/UNFPA Coordinating Committee on Health;

Took note of the presentation of the Chairman of the Commission on Social Development.

24 April 1998

Table 1. Annual session 1998 (8-19 June 1998)
(10 working days)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.3)	A	1½ days	Provisional agenda, annotations, list of documents/work plan
	Official	A		Report on the second regular session 1998
				Decisions adopted by the Executive Board at its second regular session 1998
				UNFPA SEGMENT
2	Official	I		REPORT OF THE EXECUTIVE DIRECTOR FOR 1997
				Introduction by the Executive Director
				Programme priorities and implementation
				Resource mobilization
				Global Contraceptive Commodity Programme/Global Initiative on Contraceptive Requirements
				Regional overview
				Statistical annex
17	Oral/CRP	A		UNFPA RESOURCE MOBILIZATION STRATEGY
3	Official	A	½ day	ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION (96/27)
4	Official	A	½ day	WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY
5	Official	I	½ day	PERIODIC REPORT ON EVALUATION

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
6				INFORMATION AND COMMUNICATION STRATEGY
	Oral	I	½ day	Implementation of decision 97/13
7	Oral	I		REPORT ON STATUS OF THE COORDINATING COMMITTEE ON HEALTH
				UNDP SEGMENT
8				ANNUAL REPORT OF THE ADMINISTRATOR
	Official	A		Introduction by the Administrator
	Official	A		Main programme record, including reporting on special funds
	Official	I	2 days	Assistance to the Palestinian people
	Official	I		The United Nations New Agenda for Development in Africa and the Special Initiative for Africa
	Official	I		Reports of the Joint Inspection Unit
	Official	I		Statistical annex
	CRP	I		UNDP 2001: Follow-up to decision 97/15 para 16 (Interim report on subregional resource facilities(SURFs))

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
9	Official	I	½ day	Follow-up to the United Nations Reform, including transfer to the United Nations Development Programme of the responsibilities of the Emergency Relief Coordinator for natural disaster mitigation, prevention and preparedness
10	Official	I	½ day	EVALUATION
11	Official	I/A	½ day	UNITED NATIONS VOLUNTEERS
12	CRP		½ day	RESOURCE MOBILIZATION (including review of round-table process)
13	Official		½ day	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS (including assistance to Myanmar)
14			½ day	COMMUNICATION AND INFORMATION POLICY
	Official	I		Follow-up to decision 97/17 (para 10)
15				UNITED NATIONS OFFICE FOR PROJECT SERVICES
	Official	A	½ day	Report on the United Nations Office for Project Services (96/33)
	Official			Report on follow-up to recommendations of the Board of Auditors on UNOPS (97/23)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
				UNDP/UNFPA SEGMENT
16	Oral	I	½ day	Reports on internal oversight
18			½ day	OTHER MATTERS, including:
				- Briefing on UNAIDS
*				

* **NOTE:** A Special Event on 1998 State of World Population report will be organized by UNFPA for half a day.

Abbreviations: A = action; CRP = conference room paper; I = information; and ICPD = International Conference on Population and Development.

98/10. UNFPA: Absorptive capacity

The Executive Board

1. Takes note of the report of the Executive Director on absorptive capacity and financial resource utilization in programme countries (DP/FPA/1998/4);

2. Also takes note of the importance of South/South cooperation in enhancing absorptive capacity;

3. Further takes note of the need to enhance, where appropriate, the role of civil society organizations and the private sector;

4. Endorses the actions already taken to increase the absorptive capacity and resource utilization in programme countries, including, *inter alia*, training and the issuance and implementation of the new UNFPA Policies and Procedures Manual;

5. Endorses the recommendations for further developing absorptive capacity and resource utilization in programme countries contained in document DP/FPA/1998/4;

6. Urges the Executive Director to take the steps necessary to implement the recommendations contained in document DP/FPA/1998/4, bearing in mind the comments made by delegations at the 1998 annual session;

7. Requests the Executive Director to report to the Executive Board on follow-up to the recommendations contained in document DP/FPA/1998/4 at its third regular session 2000.

12 June 1998

98/11. UNFPA work plan for 1999-2002 and programme expenditure authority

The Executive Board

1. Notes programme resource planning proposals of the Executive Director as set out in document DP/FPA/1998/5 and as revised by the Deputy Executive Director at the annual session 1998;

2. Approves the request for 1999 programme expenditure authority at a level equal to expected new programmable resources for 1999, currently estimated at $263 million, and requests the Executive Director to report to the Executive Board on any significant increases or shortfalls in estimated income for the year 1999;

3. Notes the following estimates of new programmable resources from regular resources for programme planning for the period 2000-2002: $283 million for 2000; $303 million for 2001; and $325 million for 2002;

4. Requests the Executive Director to take steps to evolve the work plan into a more focused, analytical and outcome-orientated document;

5. Invites the Executive Director in formulating the work plan for 2000-2003 to increase the proportion of programmable resources.

12 June 1998

98/12. UNFPA: Evaluation

The Executive Board

1. Welcomes the report of the Executive Director on United Nations Population Fund evaluation activities (DP/FPA/1998/6) and the progress made by the United Nations Population Fund in revising its monitoring.and evaluation guidelines, which emphasize effectiveness and outputs;

2. Encourages the United Nations Population Fund to continue its efforts to enhance the analytical content of the periodic report on evaluation activities, particularly in regard to outcomes, achievements and lessons learned;

3. Requests the Executive Director actively to seek opportunities to undertake joint evaluations, where appropriate, with partner organizations and governments;

4. Also requests that efforts be made to increase further the percentage of external evaluations and to continue to report to the Executive Board on progress made towards this objective in the periodic report on evaluation activities;

5. Requests the Executive Director to include in the periodic report on evaluation activities, starting in the year 2000, an annex providing a record and analysis of evaluation compliance for all country programmes completed in the previous biennium in line with the evaluation work plan of the United Nations Population Fund.

12 June 1998

98/13. United Nations Volunteers programme

The Executive Board

1. Notes the diversity in the range of work of the United Nations Volunteers and their roles, the growth of the United Nations Volunteers

programme overall and, in particular, the achievement of reaching the largest number of serving volunteers;

2. Also notes the key messages of the Fourth Intergovernmental Meeting, captured in the Bonn Declaration;

3. Commends the United Nations Volunteers programme for continuing its efforts to ensure relevance through the launching and implementation of Strategy 2000;

4. Notes the issues identified by the internal management audit and recognizes the work under way by the United Nations Volunteers programme to respond to its findings;

5. Welcomes the decision to proclaim 2001 as the International Year of Volunteers;

6. Approves the proposals for the use of the one-time Special Voluntary Fund surplus, totalling $1.8 million, to implement the recommendations of the internal management audit;

7. Requests the United Nations Volunteers programme to report at the third regular session 1998 on the management of the reserve for security and medical evacuation needs in the context of the annual review of the financial situation;

8. Decides that it is appropriate to finance from the Special Voluntary Fund strategic and cross-cutting thematic evaluations and to supplement the monitoring of United Nations Volunteers and projects executed by the United Nations Volunteers programme.

19 June 1998

98/14. Assistance to Myanmar

The Executive Board

1. Notes that continued funding of project activities in the sectors previously outlined in Governing Council decision 93/21, and confirmed by Executive Board decision 96/1, is estimated at $50 million for the period mid-1999 to end-2001;

2. Authorizes the Administrator, on a project-by-project basis, to approve HDI-E project extensions up to $36.9 million from target for resource assignment from the core (TRAC) resources for the current resource planning period, and up to $13.1 million from the TRAC resources for the next resource planning period, as they become available;

3. Authorizes the Administrator to mobilize, in consultation with the other United Nations funds and programmes concerned, non-core resources for a

United Nations system-wide programme of assistance to northern Rakhine State, through appropriate mechanisms and modalities;

4. Requests the Administrator to continue to provide the Executive Board, on an annual basis, with a report on the progress and challenges in the implementation of project activities of the Human Development Initiative.

19 June 1998

98/15. UNDP communication and information policy

The Executive Board

1. Takes note of document DP/1998/23, in which the Administrator outlines the advances made in the implementation of the UNDP communication, advocacy and information strategy;

2. Welcomes the progress that has taken place since 1995 in creating better visibility and awareness for UNDP and the United Nations system among various target audiences;

3. Encourages the Administrator to emphasize results in the UNDP communication policy as well as the linkage between communication and advocacy and resource mobilization;

4. Supports the efforts of the Administrator to promote and increase the visibility of UNDP in order to expand public awareness of the scope and effectiveness of the Programme and its contribution to the goals of sustainable human development, bearing in mind that communication strategies should be tailored to fit the different target audiences;

5. Invites the Administrator to make a presentation to the Executive Board at its first regular session 1999 that will outline, within the UNDP corporate communication and advocacy strategy, the key areas that will respond to current communication needs, bearing in mind decision 97/17 and comments made by delegations at the annual session 1998;

6. Requests the Administrator to present to the Executive Board at its annual session 1999 a plan of action to implement the key areas identified at the first regular session 1999, including its budgetary implications.

19 June 1998

98/16. Activities of the United Nations Office for Project Services

The Executive Board

1. Takes note of the report of the Executive Director of the United Nations Office for Project Services (DP/1998/24 and DP/1998/24/Add. 2*), further

noting that UNOPS continues to operate successfully in accordance with the self-financing principle;

2. Requests the Management Coordination Committee to assist and guide the Executive Director of the United Nations Office for Project Services in finding appropriate responses to those areas identified in document DP/1998/24 in which UNOPS progress is slow or where unexpected difficulties are being encountered;

3. Approves the establishment of the post of Chief Information Officer at the D-1 level with effect from 1 July 1998.

12 June 1998

98/17. Overview of decisions adopted by the Executive Board at its annual session 1998 (Geneva, 8-19 June 1998)

The Executive Board

Recalls that during the annual session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its annual session 1998 (DP/1998/L.3; DP/1998/L.3*(Spanish only) and DP/1998/L.3/Corr.1) as orally amended;

Agreed to the following schedule of future sessions of the Executive Board in 1998 and 1999 subject to the approval of the Committee on Conferences:

Third regular session 1998:	14-18 September 1998
First regular session 1999:	25-29 January 1999
Second regular session 1999:	5-9 April 1999
Annual session 1999:	14-25 June 1999 (New York)
Third regular session 1999:	13-17 September 1999

Agreed to the subjects to be discussed at the third regular session 1998 of the Board, as listed in the annexed work plan;

UNFPA SEGMENT

ITEM 2: REPORT OF THE EXECUTIVE DIRECTOR FOR 1997

Took note of the report of the Executive Director for 1997 on programme priorities, programme effectiveness, statistical overview and regional overview (DP/FPA/1998/3 (Part I), (Part I/Add.1), (Part II) and (Part III));

Requested the Executive Director to submit to the Executive Board at its third regular session 1998 a conference room paper on sector-wide approaches;

ITEM 3: ABSORPTIVE CAPACITY AND FINANCIAL RESOURCE UTILIZATION

Adopted decision 98/10 of 12 June 1998 on absorptive capacity;

ITEM 4: WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY

Adopted decision 98/11 of 12 June 1998 on the UNFPA work plan for 1999-2002 and programme expenditure authority;

Took note of the report on the status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1998/8);

ITEM 5: PERIODIC REPORT ON EVALUATION

Adopted decision 98/12 of 12 June 1998 on UNFPA evaluation;

ITEM 6: INFORMATION AND COMMUNICATION STRATEGY

Took note of the oral report on the UNFPA information and communication strategy;

ITEM 7: RESOURCE MOBILIZATION STRATEGY

Took note of the conference room paper containing an update of the UNFPA financial situation (DP/FPA/1998/CRP.3), and the comments made thereon;

UNDP SEGMENT

ITEM 8: ANNUAL REPORT OF THE ADMINISTRATOR

Took note of the report of the Administrator for 1997, including the introduction to the report, main programme record, global and interregional programmes, other funds and programmes, Programme of Assistance to the Palestinian People, United Nations System-wide Special Initiative for Africa, reports of the Joint Inspection Unit and statistical annex (DP/1998/17/Add. 1-7 and DP/1998/17/Add.1(Part III)/Corr.1), with comments made thereon;

Took note of the report on follow-up to decision 97/16 on change management, including the interim report on the subregional resource facilities (DP/1998/CRP.8);

Took note of the UNDP strategic plan 1998 (DP/1998/CRP.9);

ITEM 9: FOLLOW-UP TO THE UNITED NATIONS REFORM

Took note of the oral report on the UNDP role in the follow-up to United Nations reform;

Took note of the report on Emergency Relief Coordinator: Transfer of responsibilities to the United Nations Development Programme (DP/1998/18);

ITEM 10: EVALUATION

Took note of the report on UNDP evaluation activities (DP/1998/19);

ITEM 11: UNITED NATIONS VOLUNTEERS

Adopted decision 98/13 of 19 June 1998 on the United Nations Volunteers programme;

ITEM 12: RESOURCE MOBILIZATION

Took note of the oral report of the President on the work of the Open-ended, Ad Hoc Working Group on the UNDP Funding Strategy;

ITEM 13: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Adopted decision 98/14 of 19 June 1998 on assistance to Myanmar;

Took note of the report on the implementation of the human rights component of the first country cooperation framework for Belarus (DP/1998/22);

ITEM 14: COMMUNICATION AND INFORMATION POLICY

Adopted decision 98/15 of 19 June 1998 on the UNDP communication and information policy;

ITEM 15: UNITED NATIONS OFFICE FOR PROJECT SERVICES

Adopted decision 98/16 on the activities of the United Nations Office for Project Services;

Took note of the report on follow-up to recommendations of the Board of Auditors (DP/1998/25);

ITEM 16: INTERNAL OVERSIGHT

Took note of the reports on internal audit and oversight activities of the United Nations Development Programme, the United Nations Office for Project Services and the United Nations Population Fund, contained in documents DP/1998/26, DP/1998/24/Add.1 and DP/FPA/1998/7, and requested the United Nations Population Fund to take appropriate measures to enforce the recommendations contained in its report and to report annually on progress made;

ITEM 17: OTHER MATTERS

Took note of the oral report on the activities of the Joint United Nations Programme on HIV/AIDS (UNAIDS) in 1997;

Took note of the oral report on World Trade Organization initiatives for least developed countries;

Took note of the report on the round-table mechanism (DP/1998/CRP.2);

Took note of the oral report on the UNDP programme in Montserrat.

19 June 1998

Annex

Third regular session 1998 (14-18 September 1998)

(5 working days*)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1998/L.4)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the second regular session 1998
	Official	A		Report on the annual session 1998
	Official	I		Decisions adopted by the Executive Board at the annual session 1998
	CRP	I		Outline for Executive Board work plan 1999
				UNDP SEGMENT
2	Oral	I	1 day	UNDP 2001 : Progress report
3				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I/A		Annual review of the financial situation 1997 (including a report on the implementation of the budget for the biennium 1998-1999)
	Official	I		Risk management
	Official	I		Activities of the Inter-Agency Procurement Services Office (including procurement from developing countries)
	Official	I		Subcontracts awarded and major equipment ordered
	Official	I		Review and revision of UNDP Financial Regulations and Rules
	Official	I		United Nations system technical cooperation expenditures 1997

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1 day	Review of the successor programming arrangements
	Oral	I		Report on implementation of the first country cooperation framework for Nigeria (97/25)
5				UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A	½ day	Revised budget estimates for the biennium 1998-1999 (including risk management, reserves and surplus income)
6	Oral	I		UNIFEM (97/18)
7				RESOURCE MOBILIZATION
	CRP	A	½ day	Report of the Open-ended, Ad Hoc Working Group on UNDP Funding Strategy
				UNFPA SEGMENT
8	Oral	A	½ day	RESOURCE MOBILIZATION
9				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	1½ days	Annual financial review, 1997
	Official	A		Revision of financial regulations
	Official	I		Multi-bilateral and trust fund arrangements (97/26)
10				SOUTH-SOUTH COOPERATION
	Official	A		Partners in Population and Development (96/9)
11	Official	A		COUNTRY PROGRAMMES AND RELATED MATTERS

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
12				COORDINATING COMMITTEE ON HEALTH
	Official	I		Report on first meeting of the Coordinating Committee on Health
13	CRP	I		SECTOR-WIDE APPROACHES
14				OTHER MATTERS, including:
	CRP	I		- Field visits

Abbreviations: A = action; CRP = conference room paper; I = information; and UNOPS = United Nations Office for Project Services.

98/18. UNDP: Revisions to the Financial Regulations and Rules

The Executive Board

1. Notes the proposed revised structure for the UNDP Financial Regulations and Rules contained in annex I of document DP/1998/32;

2. Approves the proposed revisions to the current version of the UNDP Financial Regulations and Rules (UNDP/FIN REG & RULES/Rev.1 and Rev.2) contained in annex II, sections A, B and C of document DP/1998/32.

22 September 1998

98/19. Successor programming arrangements

The Executive Board

1. Takes note of the review of the successor programming arrangements contained in document DP/1998/34, the improvements made in the programming processes and further streamlining planned, as well as the adjustments to authorized programming levels made in accordance with paragraph 25 of decision 95/23, as described in paragraphs 28-31 of document DP/1998/34;

2. Recognizes that the outcomes of the Open-Ended, Ad Hoc Working Group on the Funding Strategy for UNDP, as adopted in decision 98/23, will have implications for the financial parameters of the programming arrangements;

3. Decides to apply the various financial planning parameters of decision 95/23 for the years 2000-2001, including the provisions of paragraph 25, and requests the Administrator to proceed with programme planning and implementation on this basis;

4. Endorses the proposed extension of the percentage earmarkings for programme resources set out in decision 95/23, with the following modifications, as described in paragraphs 76-83 of document DP/1998/34:

(a) From 2001 onwards, the separate percentage earmarking for implementation services shown under line 1.6 will be transferred in its entirety to the earmarkings for target for resource assignments from the core lines 1.1.1 and 1.1.2 (TRAC 1 and 2), with the reimbursement of administrative and operational services to continue as a negotiated arrangement with eligible United Nations entities, and as a reporting mechanism;

(b) From 2001 onwards, the separate percentage earmarkings for support for policy and programme development and for support for technical services shown respectively under lines 2.2 and 2.3 will be merged into a single earmarking under line 2.2, and adjusted in line with paragraph 80 of document DP/1998/34;

5. Reaffirms the basic methodology for the distribution of resources as described in paragraphs 21-26 of decision 95/23 as the basis for calculating

TRAC 1 earmarkings for individual countries, as well as for overall TRAC allocations, with the following modifications from the year 2001:

(a) The financial and programming parameters set out in paragraphs 3 and 4 of the present decision;

(b) The inclusion of "other resources" as noted in paragraph 88, footnote 11 of document DP/1998/34;

6. Reaffirms the principles of net contributor country status and of graduation and welcomes the important role of net contributor countries in the programme;

7. Requests the Administrator to examine ways to improve the flexibility in the allocation of TRAC 2 resources and report the findings to the Executive Board at its first regular session 1999;

8. Requests the Administrator to provide the Executive Board at its first regular session 1999 with possible implications for programming arrangements resulting from the assessment of the pilot phase of the United Nations Development Assistance Framework;

9. Requests the Administrator to submit at the first regular session 1999 a detailed analysis of the implications of the various scenarios outlined in paragraphs 91-97 of document DP/1998/34, including: (a) the full cost implications for both Governments and UNDP of maintaining offices in net contributor countries, including the support provided by headquarters and (b) the implications for the resident coordinator system and for the additional services relating to United Nations system representation provided by UNDP offices in net contributor countries;

10. Requests the Administrator to provide the Executive Board at the first regular session 1999 with an analysis of the proposal made in paragraph 96 of document DP/1998/34 to take net contributor countries out of the TRAC calculation model and manage and monitor this category as a separate group of programme countries.

23 September 1998

98/20. UNOPS: Budget estimates for the biennium 1998-1999

The Executive Board

1. Takes note of the report of the Executive Director on revised budget estimates for the biennium 1998-1999 (DP/1998/35);

2. Approves the revised budget estimates for the 1998-1999 biennium in the amount of $100,955,000;

3. Approves the proposal that any excess of expenditure over income arising out of the extraordinary non-recurring activities in the 1998-1999

biennium be charged against the operational reserve of the United Nations Office for Project Services;

4. Approves the staffing level as proposed for the biennium 1998-1999, the relocation of two posts from New York to the Rome office and the establishment of the post of Chief of the Abidjan office at the D-1 level;

5. Takes note of the project-specific and temporary post of resident project manager at the L-6 level included in the staffing table for the biennium 1998-1999.

21 September 1998

98/21. UNFPA: Revisions to the Financial Regulations

The Executive Board

Approves the revisions to the United Nations Population Fund Financial Regulations as contained in paragraphs 3, 4 and 5 of document DP/FPA/1998/10, with amendments to Regulation 4.14 (g) and Regulation 5.4, as follows:

(a) Regulation 4.14 (g): Amounts otherwise designated to be credited to the biennial support budget, including, *inter alia*, income derived from UNFPA support costs and net income relating to procurement services provided to third parties;

(b) Regulation 5.4: Funds received by UNFPA under Regulation 14.6 for procurement of supplies, equipment and services on behalf and at the request of Governments, specialized agencies or other intergovernmental or non-governmental organizations shall be treated as trust funds. The income relating to procurement services provided to third parties shall be used to meet the direct cost of these services. At the close of a biennium, any excess of income shall be credited to the biennial support budget.

16 September 1998

98/22. UNFPA multi-bilateral trust-fund arrangements

The Executive Board

1. Welcomes the report on the review of multi-bilateral trust-fund arrangements prepared in response to Executive Board decision 97/26 (DP/FPA/1998/11);

2. Reaffirms the principle of additionality and complementarity of multi-bilateral funding on the understanding that it will not impinge on the general resources of the Fund;

3. Endorses the principle of full cost-recovery for multi-bilateral assistance based on charges for managerial and support services and administrative and operational support;

4. Also endorses the establishment of a managerial and support services charge to be levied at a rate of 5 per cent on all multi-bilateral activities, as set out in document DP/FPA/1998/11;

5. Accepts, as an interim measure, the proposed increase in administrative and operational support costs from the present rate of 5 per cent to the proposed rate of 7.5 per cent;

6. Requests the Executive Director to develop a methodology for full cost identification and recovery;

7. Also requests the Executive Director to quantify the level of charges for administrative and operational support, as recommended by the Advisory Committee on Administrative and Budgetary Questions in its report contained in document DP/1998/37-DP/FPA/1998/14, and to report thereon to the Executive Board with a view to adopting a final decision on administrative and operational support costs at its third regular session 1999;

8. Decides that the new cost-recovery arrangements shall be effective from 1 January 1999 and shall apply to new agreements as of that date.

22 September 1998

98/23. UNDP funding strategy

The Executive Board

1. Reaffirms the fundamental characteristics of the operational activities of the United Nations development system, which are, *inter alia*, universality, neutrality, multilateralism, and its voluntary and grant nature, fully respecting the priorities of programme countries and responding to the needs of developing countries in a flexible manner;

2. Welcomes the role of UNDP in supporting United Nations development activities, including strengthening the role of the United Nations at the country level;

3. Welcomes the commitment of UNDP to working in partnership with the broader United Nations system, international organizations, the private sector and civil society in assisting programme countries in their pursuit of national development plans and priorities for sustainable human development in accordance with the policies agreed by the Executive Board;

4. Stresses the need for a funding strategy, based on the concept of collective ownership, partnership and shared interests with differentiated responsibilities, to strengthen UNDP support for the increasing development needs of programme countries, in particular, least developed countries;

5. Recognizes that a focused, effective and visible programme is important for resource mobilization and reaffirms its decisions 98/1 and 94/14 and endorses the ongoing efforts to enhance the impact of the advocacy and institutional profile of UNDP by strengthening its communication and information strategy, with particular emphasis on cost-effective, high-impact strategies and well-targeted messages;

6. Reiterates that core resources are the bedrock of UNDP and are essential to maintaining the multilateral nature of its work;

7. Recognizes the importance of non-core resources, including cost-sharing, trust funds and non-traditional sources of financing, as a mechanism to enhance the capacity and to supplement the means of UNDP, and in this context recalls its decision 98/2;

8. Regrets the decline in core resources and reaffirms the need to reverse this trend and to establish a mechanism to place UNDP core funding on a predictable and continuous basis;

9. Recognizes that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP and urges all donor and programme countries in a position to do so to increase their contributions to core resources;

10. Adopts an annual funding target of $1.1 billion;

11. Stresses, in this context, the urgent need to achieve annual increases in the mobilization of core resources until the target is met;

12. Decides, in this context, that UNDP shall:

(a) Develop a multi-year funding framework that integrates programme objectives, resources, budget and outcomes, with the objective of increasing core resources, taking into account the following principles:

(i) This framework shall maintain the order of priorities and the mandate of UNDP as determined by the Executive Board;

(ii) This framework shall not introduce any conditionality nor result in distortions of priorities or changes in the current system of resource allocation;

(iii) The allocation of additional core resources that may be mobilized by the multi-year funding framework shall be consistent with programming guidelines determined by the Executive Board, and priority must be given to programmes;

(b) Designate the second regular session of the Executive Board, starting in 1999, as the time when all member countries would:

(i) Announce their voluntary core contributions to UNDP as follows: a firm funding commitment for the current year; for those in a position to do so, a firm contribution or indication of the contribution for the following year; and a firm or tentative contribution for the third year;

(ii) Announce payment schedules for the current year; early payments should be encouraged;

(iii) Review the record of actual core contributions and government contributions to local office costs payments as well as the timing of payments made in the previous calendar year;

13. Decides to initiate a fully participative, transparent, open-ended consultative process between the UNDP secretariat and the States members of UNDP for designing a multi-year funding framework based on the principles as outlined in paragraph 12 of the present decision and on the modalities for the announcement of contributions with a view to holding the first such meeting as stipulated in paragraph 12 (b) of the present decision;

14. Requests the Administrator, on the basis of these consultations, to submit to the Executive Board a report on the multi-year funding framework for consideration at its first regular session in 1999.

23 September 1998

98/24. UNFPA funding strategy

The Executive Board

1. Reaffirms the fundamental characteristics of the operational activities of the United Nations development system, which are, *inter alia*, universality, neutrality, multilateralism, and its voluntary and grant nature, fully respecting the priorities of programme countries and responding to the needs of developing countries in a flexible manner;

2. Welcomes the effective role of UNFPA in advocating for and implementing programmes and activities in full accordance with its mandate and the Programme of Action of the International Conference on Population and Development (ICPD) and emphasizes the need for predictable, timely payments and increased funding to enhance the capacity of UNFPA to contribute to the implementation of the ICPD Programme of Action;

3. Stresses the need for a funding strategy based on a concept of collective ownership, partnership and shared interests with differentiated responsibilities that is programme-driven and that encourages a collective partnership with programme and donor countries, lending institutions, the private sector and foundations;

4. Also stresses the important opportunity offered by the five-year review of the implementation of the ICPD Programme of Action in reinvigorating international commitment to the Programme of Action, including to mobilize financial support, based on an analysis of progress made, lessons learned and

obstacles encountered, and recalls the resource goals as foreseen in the ICPD Programme of Action;

5. Recognizes the clear and focused mandate and programme priorities of UNFPA and the Fund's clear and focused resource allocation system, which is based on a country's level of achievement of ICPD goals and gives special attention to least developed countries, low-income countries and Africa;

6. Reiterates that core resources are the bedrock of UNFPA and are essential to maintaining the multilateral nature of the Fund's assistance;

7. Recognizes that an effective and visible programme is essential for resource mobilization and, while recognizing the commendable efforts of UNFPA to date in this area, urges the Fund to continue to expand its advocacy and institutional profile at the national and international level in order to illustrate better the importance of its work and of the impact and effectiveness of its programmes;

8. Also recognizes the importance for UNFPA of non-core resources and the work of non-State actors in mobilizing resources;

9. Adopts for UNFPA a programme-driven total resource goal of $400 million for 1999; requests the Executive Director, with the support of all the members of the Fund, to make every effort to reach this goal by mobilizing resources from all sources, including donor and programme countries, foundations, and the private sector; and decides to review this goal in September 1999 with a view to deciding goals for future years;

10. Recognizes that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNFPA and urges all donors and programme countries in a position to do so to increase their contributions to core resources;

11. Decides, in this context, that UNFPA shall:

(a) Develop a multi-year funding framework that integrates programme objectives, resources, budget and outcomes, with the objective of increasing core resources, taking into account the following principles:

(i) This framework shall maintain the order of priorities and the mandate of UNFPA as determined by the Executive Board;

(ii) This framework shall not introduce any conditionality nor result in distortions in priorities or changes in the current system of resource allocation;

(iii) The allocation of additional core resources that may be mobilized by the multi-year funding framework shall be consistent with programming guidelines determined by the Executive Board, and priority must be given to programmes;

(b) Designate the second regular session of the Executive Board, starting tentatively with the second regular session 1999, as the time when all member countries would:

(i) Announce their voluntary core contributions to UNFPA as follows: a firm funding commitment for the current year; for those in a position to do so, a firm contribution or indication of the contribution for the following year and a firm or tentative contribution for the third year;

(ii) Announce payment schedules for the current year; early payments should be encouraged;

(iii) Review the record of actual core contributions as well as the timing of payments made in the previous calendar year;

12. Decides to initiate a fully participative, transparent, open-ended consultative process between the UNFPA secretariat and the States members of UNFPA for designing a multi-year funding framework based on the principles as outlined in paragraph 11 of the present decision and on the modalities for the announcement of contributions with a view to holding the first such meeting as stipulated in paragraph 11 (b) of the present decision;

13. Requests the Executive Director, on the basis of these consultations, to submit to the Executive Board a report on the multi-year funding framework for consideration at its second regular session 1999.

23 September 1998

98/25. Overview of decisions adopted by the Executive Board at its third regular session 1998, 14-16 September and 21-22 September 1998

The Executive Board

Recalls that during the third regular session 1998 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its third regular session 1998 (DP/1998/L.4 and Corr.1) as orally amended;

Approved the reports of the second regular session 1998 and annual session 1998 (DP/1998/15 and DP/1998/27);

Took note of the proposed annual work plan 1999 for the UNDP/UNFPA Executive Board (DP/1998/CRP.10);

Agreed to the following schedule of future sessions of the Executive Board in 1999 subject to the approval of the Committee on Conferences:

First regular session 1999: 25-29 January 1999

Second regular session 1999: 5-9 April 1999

Annual session 1999: 14-25 June 1999 (New York)

Third regular session 1999: 13-17 September 1999

Agreed to the subjects to be discussed at the first regular session 1999 of the Board, as listed in the annex to the present decision;

UNDP SEGMENT

ITEM 2: PROGRESS REPORT ON UNDP 2001

Agreed to postpone consideration of the progress report on UNDP 2001 to the first regular session 1999;

ITEM 3: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the report on the annual review of the financial situation 1997 (including a report on the implementation of the budget for the biennium 1998-1999) (DP/1998/29 and DP/1998/29/Add.1);

Took note of the report on the activities of the Inter-Agency Procurement Services Office (DP/1998/30);

Took note of the 1997 Annual Statistical Report (DP/1998/31);

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on revision of financial regulations of the United Nations Development Programme (DP/1998/37);

Adopted decision 98/18 of 22 September 1998 on the revisions to the UNDP Financial Regulations and Rules;

Took note of the report on United Nations system technical cooperation expenditure 1997 (DP/1998/33 and DP/1998/33/Add.1);

ITEM 4. COUNTRY COOPERATION FRAMEWORK AND RELATED MATTERS

Adopted decision 98/19 of 23 September 1998 on successor programming arrangements;

Approved the following country cooperation frameworks:

I

First country cooperation framework for Burundi (DP/CCF/BDI/1);

First country cooperation framework for Equatorial Guinea (DP/CCF/EQG/1);

II

First country cooperation framework for Costa Rica (DP/CCF/COS/1);

First country cooperation framework for Paraguay (DP/CCF/PAR/1);

Approved the extensions of the following country cooperation framework and country programmes:

I

Extension of the first country cooperation framework for Bangladesh (DP/CCF/BGD/1/EXTENSION I);

II

Second extension of the third country programme for the Cayman Islands (DP/CP/CAY/3/EXTENSION II);

Extension of the fifth country programme for Ecuador (DP/CP/ECU/5/EXTENSION I);

Took note of the oral report on the implementation of the first country cooperation framework for Nigeria;

Took note of the oral report on assistance to the Democratic Republic of the Congo;

ITEM 5. UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Adopted decision 98/20 of 21 September 1998 on the UNOPS revised budget estimates for the biennium 1998-1999;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the UNOPS revised budget estimates for the biennium 1998-1999 (DP/1998/36);

ITEM 6. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

Took note of the oral report on the United Nations Development Fund for Women;

ITEM 7. RESOURCE MOBILIZATION

Adopted decision 98/23 of 23 September 1998 on the funding strategy for UNDP;

UNFPA SEGMENT

ITEM 8. UNFPA: RESOURCE MOBILIZATION

Adopted decision 98/24 of 23 September 1998 on the funding strategy for UNFPA;

ITEM 9. UNFPA: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the report on the UNFPA annual financial review 1997 (DP/FPA/1998/9);

Adopted decision 98/21 of 16 September 1998 on the revision of UNFPA Financial Regulations;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the revision of financial regulations of UNFPA and the review of multi-bilateral trust-fund arrangements of UNFPA (DP/FPA/1998/14);

Adopted decision 98/22 of 22 September 1998 on UNFPA multi-bilateral trust-fund arrangements;

Took note of the progress report on the implementation of the UNFPA 1998-1999 biennial support budget (DP/FPA/1998/12);

ITEM 10. SOUTH-SOUTH COOPERATION

Took note of the progress report on UNFPA support to Partners in Population and Development (DP/FPA/1998/13) and approved the continuing working relationship between UNFPA and the Partners in Population and Development as contained in the report;

ITEM 11. COUNTRY PROGRAMMES AND RELATED MATTERS

Approved the extensions of the following country programmes:

Extension of Assistance to the Government of Pakistan (DP/FPA/PAK/5/EXT 1);

Extension of Assistance to the Government of the Philippines (DP/FPA/PH/4/EXT 1);

Extension of Assistance to the Governments of Kazakhstan, Azerbaijan, Tajikistan, Turkmenistan, Uzbekistan and Kyrgyzstan (DP/FPA/KATTUK/1/EXT 1);

Took note of the oral report on the UNFPA Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries, including the private sector initiative;

ITEM 12. COORDINATING COMMITTEE ON HEALTH

Took note of the report on the first meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health (DP/FPA/1998/CRP.4) and the comments thereon, and endorsed the Committee's terms of reference as contained in the report;

ITEM 13. SECTOR-WIDE APPROACHES

Decided to postpone consideration of the report on UNFPA and sector-wide approaches (DP/FPA/1998/CRP.5) to the second regular session 1999 of the Executive Board;

ITEM 14. OTHER MATTERS

Decided to postpone the review of the reports on the field visits to Bangladesh, Tunisia and Lebanon, and South Africa (DP/1998/CRP.13; DP/1998/CRP.14; and DP/1998/CRP.15) to the first regular session 1999.

23 September 1998

Annex

EXECUTIVE BOARD OF UNDP/UNFPA

DRAFT WORK PLAN 1999

First regular session 1999 (25-29 January 1999)

(5 working days)

Item No.	Nature of report	Action/ Information	Time allotted		Item and subject
1					ORGANIZATIONAL MATTERS
		A		((	Election of the Bureau for 1999
	Official (DP/1999/L.1)	A		(((	Provisional agenda, annotations, list of documents
	Official	A		((	Report on the third regular session 1998
	Official	I	½ day	((	Decisions adopted by the Executive Board in 1998
	CRP	A		(((	Annual work plan 1999 for UNDP/UNFPA Executive Board (96/25)
					JOINT UNDP/UNFPA SEGMENT
2					FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	½ day	((((	Updated overview of implementation of recommendations of the Board of Auditors (97/2 and 97/3)

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
				UNDP SEGMENT
3			(	UNDP 2001
	CRP	I	(	Progress report on implementation of change management (97/15)
4			1 day (	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	CRP	A	(	Follow-up to decision 98/19 on successor programming arrangements
	Official	A	(	Country cooperation frameworks
5				INFORMATION AND COMMUNICATION STRATEGY
	Oral	I	½ day	Presentation on key areas of communication needs (98/15)
6				SPECIAL FUNDS AND PROGRAMMES
	Official	I	1 day	Reports on activities of the Global Environment Facility, Montreal Protocol, the Office to Combat Desertification and Drought (UNSO) and the United Nations Revolving Fund for Natural Resources Exploration (92/2)
7				RESOURCE MOBILIZATION
	CRP	A	½ day	Follow-up to decision 98/23 on UNDP funding strategy
8				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
		A		Report on UNDP financial risk assessment

Item No.	Nature of report	Action/ Information	Time allotted	Item and subject
9				(FIELD VISITS
	CRP	I		(Reports on field visits 1998
			½ day	(
10				(OTHER MATTERS
	Oral	I		(Coordinating Committee on (Health
			½ day	JOINT MEETING OF THE UNDP/UNFPA AND UNICEF EXECUTIVE BOARDS
		I		(Date and agenda to be agreed upon by a joint meeting of the Bureaux of the respective Executive Boards)[*]

Abbreviations: A = action; CRP = conference room paper; I = information.

[*] With the participation of the Bureau of the Executive Board of the World Food Programme.

Annex II

MEMBERSHIP OF THE EXECUTIVE BOARD IN 1998

(Term expires on the last day of the year indicated)

African States: Botswana (2000); Democratic Republic of the Congo (2000); Ghana (2000); Guinea (1999); Libyan Arab Jamahiriya (1999); Madagascar (1998); South Africa (2000); United Republic of Tanzania (2000).

Asian and Pacific States: China (2000); India (1998); Lebanon (2000); Malaysia (1998); Pakistan (1999); Republic of Korea (2000); Thailand (1999).

Latin America and Caribbean States: Antigua and Barbuda (1999); Argentina (1998); Belize (1998); Brazil (1999); Jamaica (2000).

Eastern European and other States: Czech Republic (2000); Romania (1998); Russian Federation (1999); Ukraine (1998).

Western European and other States: Australia (1999); Austria (1999); Canada (2000); Denmark (2000); France (2000); Ireland (2000); Japan (1999); Netherlands (1998); Norway (1999); Spain (2000); United Kingdom (1999); United States (1999).
